



ORIGINAL



Leland R. Snook
Director
State Regulation & Pricing

Tel. 602-250-3730
Fax 602-250-3003
e-mail Leland.Snook@azaps.com

Mail Station 9708
PO Box 53999
Phoenix, Arizona 85072-3999

RECEIVED

DEC 30 10 P 2: 32

AZ CORPORATION COMMISSION
DOCKET CONTROL

December 30, 2009

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

RE: Arizona Public Service Company Revised Schedules of Rates and Charges
Docket No. E-01345A-08-0172

Pursuant to the Recommended Order as amended and approved on December 16, 2009:

"Arizona Public Service Company is hereby directed to file with the Commission on or before December 31, 2009, revised schedules of rates and charges;

Arizona Public Service Company shall file with the Commission on or before December 31, 2009, the Revised Schedule 3;

Arizona Public Service Company shall file with the Commission on or before December 31, 2009, the revised PSA Plan of Administration;

Arizona Public Service Company shall file with the Commission on or before December 31, 2009, the revised DSM Plan of Administration."

Attached please find Arizona Public Service Company's Revised Schedules of Rates and Charges, Schedule 3, and revised PSA and DSM Plans of Administration. Each of these Rate and Service Schedules, as well as the two revised Plans of Administration shall be effective January 1, 2010. In addition, the attachment contains the revised RES schedule approved on December 22, 2009.

If you have any questions or concerns please contact David Rumolo at (602)250-3933.

Sincerely,

Leland Snook / sc

Leland R. Snook

LS/sl

Attachments

cc: Ernest Johnson via email
Maureen Scott via email
Janet Wagner via email
Terri Ford via email
Barbara Keene via email
Daniel Pozefsky via email
Brian Bozzo via email
Parties of Record via email

Arizona Corporation Commission
DOCKETED

DEC 30 2009

DOCKETED BY

Copies of the foregoing emailed or mailed
This 30th day of December 2009 to:

Ernest G. Johnson
Executive Director, Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007
ejohnson@cc.state.az.us

Maureen Scott
Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007
msscott@azcc.gov

Janet Wagner
Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007
jwagner@azcc.gov

Terri Ford
Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007
tford@azcc.gov

Barbara Keene
Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007
bKeene@cc.state.az.us

Daniel Pozefsky
Chief Counsel
RUCO
1110 West Washington, Suite 220
Phoenix, AZ 85007
dpozefsky@azruco.gov

William A. Rigsby
RUCO
1110 West Washington, Suite 220
Phoenix, AZ 85007
brigsby@azruco.gov

Tina Gamble
RUCO
1110 West Washington, Suite 220
Phoenix, AZ 85007
tgamble@azruco.gov

C. Webb Crockett
Fennemore Craig
3003 North Central, Suite 2600
Phoenix, AZ 85012-2913
wcrocket@fclaw.com

Kevin Higgins
Energy Strategies, LLC
215 South State Street, Suite 200
Salt Lake City, UT 84111
khiggins@energystrat.com

Michael L. Kurtz
Boehm, Kurt & Lowry
36 East Seventh Street, Suite 2110
Cincinnati, OH 45202
mkurtz@BKLLawfirm.com

Kurt J. Boehm
Boehm, Kurt & Lowry
36 East Seventh Street, Suite 2110
Cincinnati, OH 45202
kboehm@BKLLawfirm.com

The Kroger Company
Dennis George
Attn: Corporate Energy Manager (G09)
1014 Vine Street
Cincinnati, OH 45202
dgeorge@kroger.com

Stephen J. Baron
J. Kennedy & Associates
570 Colonial Park Drive
Suite 305
Roswell, GA 30075
sbaron@jkenn.com

Theodore Roberts
Sempra Energy Law Department
101 Ash Street, H Q 13D
San Diego, CA 92101-3017
TRoberts@sempra.com

Lawrence V. Robertson, Jr.
2247 E. Frontage Road
Tubac, AZ 85646
tubaclawyer@aol.com

Michael A. Curtis
501 East Thomas Road
Phoenix, AZ 85012
mcurtis401@aol.com

William P. Sullivan
501 East Thomas Road
Phoenix, AZ 85012
wsullivan@cgsuslaw.com

Larry K. Udall
501 East Thomas Road
Phoenix, AZ 85012
ludall@cgsuslaw.com

Michael Grant
Gallagher & Kennedy, P.A.
2575 East Camelback Road
Phoenix, AZ 85016
MMG@gknet.com

Gary Yaquinto
Arizona Investment Council
2100 North Central, Suite 210
Phoenix, AZ 85004
gyaquinto@arizonaic.org

David Berry
Western Resource Advocates
P.O. Box 1064
Scottsdale, AZ 85252-1064
azbluhill@aol.com

Tim Hogan
Arizona Center for Law in the Public Interest
202 East McDowell Road
Suite 153
Phoenix, AZ 85004
thogan@aclpi.org

Jeff Schlegel
SWEEP Arizona Representative
1167 W. Samalayuca Dr.
Tucson, AZ 85704-3224
schlegelj@aol.com

Jay I. Moyes
MOYES, SELLERS, & SIMS
1850 North Central Avenue, Suite 1100
Phoenix, AZ 85004
jimoyes@lawms.com

Jeffrey J. Woner
K.R. Saline & Assoc., PLC
160 N. Pasadena, Suite 101
Mesa, AZ 85201
jjw@krsaline.com

Scott Canty
General Counsel the Hopi Tribe
P.O. Box 123
Kykotsmobi, AZ 86039
Scanty0856@aol.com

Cynthia Zwick
1940 E. Luke Ave
Phoenix, AZ 85016
czwick@azcaa.org

Nicholas J. Enoch
349 North 4th Ave
Phoenix, AZ 85003
nick@lubinandenoach.com

Karen S. White, Esq
Air Force Utility Litigation &
Negotiation Team
AFLOA/JACL-ULT
139 Barnes Drive
Tyndall AFB, FL 32403
karen.white@tyndall.af.mil

Douglas V. Fant
Law Offices of Douglas V. Fant
3655 W. Anthem Dr.
Suite A-109 PMB 411
Anthem, AZ 85086
dfantlaw@earthlink.net

Barbara Wyllie-Pecora
27458 N. 129th Drive
Peoria, AZ 85383
bwylliepecora@yahoo.com

Carlo Dal Monte
Catalyst Paper Corporation
65 Front Street, Suite 201
Nanaimo, BC V9R 5H9
Carlo.dalmonate@catalystpaper.com

Steve Morrison
SCA Tissue North America
14005 West Old Hwy 66
Bellemont, AZ 86015
steve.morrison@sca.com



DEMAND SIDE MANAGEMENT ADJUSTMENT CHARGE PLAN OF ADMINISTRATION

2009-08-11

DSMA POA
NON-REDLINE

1. GENERAL DESCRIPTION:

This document describes the plan for administering the Demand Side Management Adjustment Charge ("DSMAC") approved for Arizona Public Service Company ("APS") by the Arizona Corporation Commission ("Commission") in Decision No. 67744, and later revised by the Commission in Decision No. XXXXX. The DSMAC provides for the recovery of Demand Side Management ("DSM") program costs, including energy efficiency and demand response programs, and energy efficiency performance incentives. The DSMAC is applied to Standard Offer or Direct Access customer's bills as a monthly kilowatt-hour charge (for Residential customers and General Service customers served in accordance with non-demand billed rate schedules) or kilowatt demand charge (for General Service customers served in accordance with demand billed rate schedules). The charge will be filed with the Commission annually when APS submits the Energy Efficiency Implementation Plan ("EEIP") for approval. This will occur July 15, 2009 for the 2010 program year, and on June 1st of all subsequent years. If approved by the Commission, the charge will be effective each year beginning with billing cycle 1 of the March revenue month and will not be prorated.

Recovery of all applicable programs costs and incentives will be allowed for all programs that have been approved by the Commission.

2. RATE SCHEDULE APPLICABILITY:

The DSMAC shall be applied monthly to every retail Standard Offer or Direct Access service with the exception of customers served on rate schedules E-3 and E-4, and solar rate Solar-2.

3. ALLOWABLE COSTS:

The types of allowable costs are as follows:

A. Program Costs (PC)

Allowable expenses include, but are not limited to: Program development, implementation, promotion, administrative and general, training and technical assistance, marketing and communications, evaluation costs, monitoring and metering costs, advertising, educational expenditures, customer incentives, research and development, data collection (such as end-use), tracking systems, self direction costs, measurement evaluation and research (MER), demonstration facilities and all other activities required to design and implement cost-effective DSM programs (energy efficiency and demand response) that are approved by the Commission in the EEIP. For those DSM programs that generate revenue, the revenue, if any, will be credited back to the DSMAC. Unrecovered fixed costs will not be an allowed program expense.

B. Performance Incentives (PI) Represents a percentage share of the net economic benefits (benefits minus costs) from approved energy-efficiency programs based on a graduated scale that is capped at a percentage of PC.

4. DETERMINATION OF TRUE-UP:

The actual allowable cost recovered for approved DSM programs will be compared to the actual revenues received by the Company through the DSMAC. The True-Up (TU) will be based on the amount in the TU balancing account. This balance will include past period PC, PI and DSMAC revenue collection accruals as of April 30th of the filing year. Past period PC and PI are found on Schedule 2 of the DSMAC calculations. Past period DSMAC revenue is found in Schedule 1 of the DSMAC calculations. The TU balancing account computation will be provided annually in Schedule 3 of the DSMAC calculations.



**DEMAND SIDE MANAGEMENT ADJUSTMENT CHARGE
PLAN OF ADMINISTRATION
2009-08-11**

In the event that PC or PI are more or less than DSMAC revenues collected as of the last billing cycle of February, the over or under collection will be subtracted from or added to the DSMAC calculation in the subsequent period. Any over collection will accrue interest charges. Under collections will not accrue interest.

Illustrative Table of Events

Date	Included Items
7/15/2009 DSMAC includes:	File 2010 EEIP with 2010 DSMAC 2010 forecast of PC and PI 2009 forecast of PC and PI TU balancing account as of the last billing cycle of February
3/1/2010	DSMAC start from 2010 EEIP
6/1/2010 DSMAC includes:	File 2011 EEIP with 2011 DSMAC 2011 forecast of PC and PI TU balancing account as of the last billing cycle of February
3/1/2011	DSMAC start from 2011 EEIP
6/1/2011 DSMAC includes:	File 2012 EEIP with 2012 DSMAC 2012 forecast of PC and PI TU balancing account as of the last billing cycle of February

5. DETERMINATION OF THE ADJUSTOR CHARGE:

By July 15, 2009 and on June 1st of each subsequent year, APS will file a revised DSMAC with supporting documentation in the EEIP. The DSMAC will be calculated by projecting PC and PI for the upcoming year, adjusted by the over or under collection of previous periods. This calculation will be provided in the annual DSMAC calculation on Schedule 4.

The DSMAC for purposes of recovering PC and PI under the DSM Program will be developed based on the following formula:

$$\text{DSMAC} = \frac{\text{PC} + \text{PI} + \text{TU} + \text{I}}{\text{Sales}}$$

Where:

- PC = Program Costs as defined in section 3 forecast for the upcoming year.
- PI = Performance Incentives as defined in section 3 forecast for the upcoming year.
- TU = Any "true-up" balance as defined in section 4.
- I = Interest associated on any over recovery of DSMAC costs for the prior period. The interest rate is based on the one-year Nominal Treasury Maturities rate from the Federal Reserve H-15 or its successor publication. The interest rate shall be adjusted annually on the first business day of the calendar year.
- Sales = Forecast energy (kWh) sales under applicable electric rate schedules during the Adjustor Period in which this adjustor will be effective.
- Adjustor Period = The 12 month period beginning with the first billing cycle during March of the current year and ending with the last billing cycle of February of the next year.



**DEMAND SIDE MANAGEMENT ADJUSTMENT CHARGE
PLAN OF ADMINISTRATION
2009-08-11**

The DSMAC for General Service customers that are billed on demand will be calculated as a per kW charge. The DSMAC for General Service customers that are not billed on demand will be calculated as a per kWh charge. To calculate the per kW charge, the recoverable costs shall first be allocated to the General Service class based upon the number of kWh consumed by that class. The remainder of the recoverable costs allocated to the General Service class shall then be divided by the kW billing determinants for the demand billed customers in that class to determine the per kW DSMAC.

For residential billing purposes, the DSMAC and the Renewable Energy Surcharge ("RES") are combined and will appear on customer bills as the "Environmental Benefits Surcharge". For the billing of general service and other non-residential customers, the Company may, but is not required to, provide for such combined billing of the RES and DSMAC. In any event, each adjustor shall have separate rate schedules and will be kept separate in the Company's books, records, and reports to the Commission.

6. REVIEW PROCESS:

The proposed DSMAC for use during a specific Adjustor Period will be calculated as shown in Section 4. APS will file an updated adjustor charge each year with its BEIP. The first filing will be July 15, 2009, and June 1st each year thereafter. If approved by the Commission, changes in the DSMAC will go into effect on the first billing cycle of March in the Adjustor Period.



DSMAC POA
REDLINE

**DEMAND SIDE MANAGEMENT ADJUSTMENT CHARGE
PLAN OF ADMINISTRATION
2009-0608-2411**

1. **GENERAL DESCRIPTION:**

This document describes the plan for administering the Demand Side Management Adjustment Charge ("DSMAC") approved for Arizona Public Service Company ("APS") by the Arizona Corporation Commission ("Commission") in Decision No. 67744, and later revised by the Commission in Decision No. XXXXX. The DSMAC provides for the recovery of Demand Side Management ("DSM") program costs, including energy efficiency and demand response programs, and energy efficiency performance incentives. The DSMAC is applied to Standard Offer or Direct Access customer's bills as a monthly kilowatt-kilowatt-hour charge (for Residential customers and General Service customers served in accordance with non-demand billed rate schedules) or kilowatt demand charge (for General Service customers served in accordance with demand billed rate schedules). The charge will be filed with the Commission annually when APS submits the Energy Efficiency Implementation Plan ("EEIP") for approval. This will occur July 15, 2009 for the 2010 program year, and on June 1st of all subsequent years. If approved by the Commission, the charge will be effective each year beginning with billing cycle 1 of the March revenue month and will not be prorated.

Recovery of all applicable programs costs and incentives will be allowed for all programs that have been approved by the Commission.

2. **RATE SCHEDULE APPLICABILITY:**

The DSMAC shall be applied monthly to every ~~retail Standard Offer or Direct Access service, unless otherwise noted in any rate schedule~~ retail Standard Offer or Direct Access service with the exception of customers served on rate schedules E-3 and E-4, and solar rate Solar-2.

3. **ALLOWABLE COSTS:**

The types of allowable costs are as follows:

A. **Program Costs (PC)**

Allowable expenses include, but are not limited to: Program development, implementation, promotion, administrative and general, training and technical assistance, marketing and communications, evaluation costs, monitoring and metering costs, advertising, educational expenditures, customer incentives, research and development, data collection (such as end-use), tracking systems, self direction costs, measurement evaluation and research (MER), demonstration facilities and all other activities required to design and implement cost-effective DSM programs (energy efficiency and demand response) that are approved or are pending approval by the Commission in the EEIP. For those DSM programs that generate revenue, the revenue, if any, will be credited back to the DSMAC. Unrecovered fixed costs will not be an allowed program expense.

B. **Performance Incentives (PI)** Represents a percentage share of the net economic benefits (benefits minus costs) from approved and pending energy-efficiency programs based on a graduated scale that is capped at a percentage of PC.

4. **DETERMINATION OF TRUE-UP:**

The actual allowable cost recovered for approved DSM programs will be compared to the actual revenues received by the Company through the DSMAC. The True-Up (TU) will be based on the amount in the TU balancing account. This balance will include past period PC, PI and DSMAC revenue collection accruals as of April 30th of the filing year. Past period PC and PI are found on Schedule 2 of the DSMAC calculations. Past period DSMAC revenue ~~are~~ is found in Schedule 1 of the DSMAC calculations. The TU balancing account computation will be provided annually in Schedule 3 of the DSMAC calculations.



**DEMAND SIDE MANAGEMENT ADJUSTMENT CHARGE
PLAN OF ADMINISTRATION
2009-0608-2411**

In the event that PC or PI are more or less than DSMAC revenues collected as of April 30th the last billing cycle of February, the over or under collection will be subtracted from or added to the DSMAC calculation in the subsequent period. Any over collection will accrue interest charges. Under collections will not accrue interest.

Illustrative Table of Events

Date	Included Items
7/15/2009 DSMAC includes:	File 2010 EEIP with 2010 DSMAC 2010 forecast of PC and PI 2009 forecast of PC and PI TU balancing account as of the last billing cycle of February 4/30/2009
3/1/2010	DSMAC start from 2010 EEIP
6/1/2010 DSMAC includes:	File 2011 EEIP with 2011 DSMAC 2011 forecast of PC and PI TU balancing account as of the last billing cycle of February 4/30/2010
3/1/2011	DSMAC start from 2011 EEIP
6/1/2011 DSMAC includes:	File 2012 EEIP with 2012 DSMAC 2012 forecast of PC and PI TU balancing account as of the last billing cycle of February 4/30/2011

5. DETERMINATION OF THE ADJUSTOR CHARGE:

By July 15, 2009 and on June 1st of each subsequent year, APS will file a revised DSMAC with supporting documentation in the EEIP. The DSMAC will be calculated by projecting PC and PI for the upcoming year, adjusted by the over or under collection of previous periods. This calculation will be provided in the annual DSMAC calculation on Schedule 4.

The DSMAC for purposes of recovering PC and PI under the DSM Program will be developed based on the following formula:

$$\text{DSMAC} = \frac{\text{PC} + \text{PI} + \text{TU} + \text{I}}{\text{Sales}}$$

Where:

PC	=	Program Costs as defined in section 3 <u>forecast</u> for the upcoming year.
PI	=	Performance Incentives as defined in section 3 <u>forecast</u> for the upcoming year.
TU	=	Any "true-up" balance as defined in section 4.
I	=	Interest associated on any over recovery of DSMAC costs for the prior period. The interest rate is based on the one-year Nominal Treasury Maturities rate from the Federal Reserve H-15 or its successor publication. The interest rate shall be adjusted annually on the first business day of the calendar year.
Sales	=	Forecast <u>energy (kWh)</u> sales under applicable electric rate schedules during the <u>Adjustor</u> Period in which this adjustor will be effective.



**DEMAND SIDE MANAGEMENT ADJUSTMENT CHARGE
PLAN OF ADMINISTRATION**

2009-0608-2411

Adjustor
Period = The 12 month period beginning with the first billing cycle during March of the
current year and ending with the last billing cycle of February of the next year.

The DSMAC for General Service customers that are billed on demand will be calculated as a per kW charge. The DSMAC for General Service customers that are not billed on demand will be calculated as a per kWh charge. To calculate the per kW charge, the recoverable costs shall first be allocated to the General Service class based upon the number of kWh consumed by that class. The remainder of the recoverable costs allocated to the General Service class shall then be divided by the kW billing determinants for the demand billed customers in that class to determine the per kW DSMAC.

For residential billing purposes, the DSMAC and the Renewable Energy Surcharge ("RES") ~~adjustor~~ are combined and will appear on customer bills as the "Environmental Benefits Surcharge". For the billing of general service and other non-residential customers, the Company may, but is not required to, provide for such combined billing of the RES and DSMAC. In any event, each adjustor shall have separate rate schedules and will be kept separate in the Company's books, records, and reports to the Commission.

6. REVIEW PROCESS:

The proposed DSMAC for use during a specific Adjustor Period will be calculated as shown in Section 4. APS will file an updated adjustor charge each year with its EEIP. The first filing will be July 15, 2009, and June 1st each year thereafter. If approved by the Commission, changes in the DSMAC will go into effect on the first billing cycle of March in the Adjustor Period.

Power Supply Adjustment Plan of Administration

Table of Contents

1. General Description	1
2. PSA Components	1
3. Calculation of the PSA Rate	5
4. Filing and Procedural Deadlines	5
5. Verification and Audit	6
6. Definitions	6
7. Calculations	8
8. Compliance Reports	9
9. Allowable Costs	10

1. General Description

This document describes the plan for administering the Power Supply Adjustment mechanism ("PSA") approved for Arizona Public Service Company ("APS") by the Commission on June 28, 2007 in Decision No. 69663 and amended by the Commission on XXXXX in Decision No. XXXXX. The PSA provides for the recovery of fuel and purchased power costs, to the extent that actual fuel and purchased power costs deviate from the amount recovered through APS' Base Cost of Fuel and Purchased Power (\$0.037571 per kWh) authorized in Decision No. XXXXX, from January 1, 2010. It also provides for refund or recovery of the net margins from sales of emission allowances, to the extent the actual sales margins deviate from the base rate amount of ((\$0.000242) per kWh) ¹.

The PSA described in this Plan of Administration ("POA") uses a forward-looking estimate of fuel and purchased power costs and margins on the sales of emission allowances ("PSA Costs") to set a rate that is then reconciled to actual costs experienced. This PSA includes a 90/10 sharing mechanism under which APS absorbs 10 percent of the deviations between actual fuel and purchased power costs and the amount recovered through base rates. The demand component of long-term purchased power agreements (duration of three years or longer) acquired via a competitive procurement process, renewable energy costs not recovered through other mechanisms, and net margins from the sales of emission allowances are exempt from the 90/10 sharing. This PSA includes a limit of \$0.004 per kilowatt-hour (kWh) on the amount the PSA rate may change in any one year. This PSA also provides a mechanism for mid-year rate adjustment in the event that conditions change sufficiently to cause extraordinarily high balances to accrue under application of this PSA.

2. PSA Components

The PSA Rate will consist of three components designed to provide for the recovery of actual,

prudently incurred PSA Costs. Those components are:

1. The Forward Component, which recovers or refunds differences between expected PSA Year (each February 1 through January 31 period shall constitute a PSA Year) PSA Costs and those embedded in base rates.
2. The Historical Component, which tracks the differences between the PSA Year's actual fuel and purchased power costs and those recovered through the combination of base rates and the Forward Component, and which provides for their recovery during the next PSA Year.
3. The Transition Component, which provides for:
 - a. The opportunity to seek a mid-year change in the PSA rate in cases where variances between the anticipated recovery of fuel and purchased power costs for the PSA Year under the combination of base rates and the Forward Component become so large as to warrant recovery, should the Commission deem such an adjustment to be appropriate.
 - b. The tracking of balances resulting from the application of the Transition Components, in order to provide a basis for the refund or recovery of any such balances.

Except for circumstances when the Commission approves new base rates, a PSA Year begins on February 1 and ends on the ensuing January 31. In the event that new base rates become effective on a date other than February 1, the Commission may, at its discretion, adjust any or all of the PSA components to reflect the new base rates.

On or before September 30 of each year, APS will submit a PSA Rate filing, which shall include a proposed calculation of the three components of the PSA Rate. This filing shall be accompanied by such supporting information as Staff determines to be required. APS will supplement this filing with Historical Component and Transition Component filings on or before December 31 in order to replace estimated balances with actual balances, as explained below.

a. Forward Component Description

The Forward Component is intended to refund or recover the difference between: (1) PSA Costs embedded in base rates and (2) the forecast PSA Costs over a PSA Year that begins on February 1 and ends on the ensuing January 31. APS will submit, on or before September 30 of each year, a forecast for the upcoming calendar year (January 1-December 31) of its PSA Costs. It will also submit a forecast of kWh sales for the same calendar year, and divide the forecast costs by the forecast sales to produce the cents/kWh unit rate required to collect those costs over those sales. The result of subtracting the Base PSA Costs from this unit rate shall be the Forward Component.

APS shall maintain and report monthly the balances in a Forward Component Tracking Account, which will record APS' over/under-recovery of its actual PSA Costs as compared to the Base PSA Costs recovered in revenue. The over/under-recovery of costs is divided into two separate calculations to allow the application of the 90/10 sharing mechanism on those costs to which it applies. The balance calculated as a result of these steps is then reduced by the current month's collection of Forward Component revenue. This account will operate on a PSA Year basis (i.e.;

February to January), and its balances will be used to administer this PSA's Historical Component, which is described immediately below.

b. Historical Component Description

The Historical Component in any current PSA Year is intended to refund or recover the balances accumulated in the Forward Component Tracking Account (described above) and Historical Component Tracking Account (described below) during the immediately preceding PSA Year. The sum of the projected Forward Component Tracking Account balance on January 31 of the following calendar year and the projected Historical Component Tracking Account balance on January 31 of the following calendar year is divided by the forecast kWh sales used to set the Forward Component for the coming PSA Year. That result comprises the proposed Historical Component for the coming PSA year.

APS shall maintain and report monthly the balances in a Historical Component Tracking Account, which will reflect monthly collections under the Historical Component and the amounts approved for use in calculating the Historical Component.

Each annual September 30 APS filing will include an accumulation of Forward Component Tracking Account balances and Historical Component Tracking Account balances for the preceding February through August and an estimate of the balances for September through January (the remaining five months of the current PSA Year). The APS filing shall use these balances to calculate a preliminary Historical Component for the coming PSA Year¹. On or before December 31, APS will submit a supplemental filing that recalculates the preliminary Historical Component. This recalculation shall replace estimated monthly balances with those actual monthly balances that have become available since the September 30 filing.

The September 30 filing's use of estimated balances for September through January (with supporting workpapers) is required to allow the PSA review process to begin in a way that will support its completion and a Commission decision, if necessary, prior to February 1. The December 31 updating will allow for the use of the most current balance information available prior to the time when a Commission decision, if necessary, is expected. In addition to the December 31 update filing, APS monthly filings (for the months of September through December) of Forward Component Tracking Account balance information and Historical Component Tracking Account balance information will include a recalculation (replacing estimated balances with actual balances as they become known) of the projected Historical Component unit rate required for the next PSA Year.²

The Historical Component Tracking Account will measure the changes each month in the Historical Component balance used to establish the current Historical Component as a result of collections under the Historical Component in effect. It will subtract each month's Historical Component collections from the Historical Component balance. The Historical Component

¹ For example, the September 30, 2008 filing would include actual balances for February through August of 2008 and estimated balances for September 2008 through January 2009.

² This updating to replace estimated with actual information will allow for the Commission to use the latest available balance information in determining what Historical Component is appropriate to establish for the coming PSA Year.

Account will also include Applicable Interest on any balances. APS shall file the amounts and supporting calculations and workpapers for this account each month.

c. Transition Component Description

The Transition Component will be used as the method for incorporating any future, approved mid-year changes to the PSA rate. APS, Staff, or the Commission on its own motion retain the ability to request at any time a change in the PSA rate through an adjustment to the Transition Component to address a significant imbalance between anticipated collections and costs for the PSA Year under the Forward Component element of this PSA. After the review of such request, the Commission may provide for the refund or collection of such balance (through a change to the Transition Component Balance) over such period as the Commission determines appropriate through a unit rate (\$/kWh) imposed as part of the Transition Component.

A Transition Component Tracking Account will measure the changes each month in the Transition Component balance. APS, Staff, or the Commission on its own motion may request that the balance in any Transition Component Tracking Account at the end of the period set for recovery be included in the establishment of the Transition Component for the coming PSA Year.

The Transition Component Account will also include Applicable Interest as determined by the Commission. APS shall file the amounts and supporting calculations and workpapers for this account each month.

As it must do for the Historical Component filing, APS shall file on or before September 30 of each year an accumulation of Transition Component Tracking Account balances for the preceding February through August and an estimate of the balances for September through January (the remaining five months of the prior PSA Year). Those balances will form the basis for setting the preliminary Transition Component for the coming PSA Year. On or before December 31, APS will submit a supplemental filing to update the Transition Component calculation in the same manner as required for the Historical Component.

3. Calculation of the PSA Rate

The PSA rate is the sum of the three components; *i.e.*, Forward Component, Historical Component, and Transition Component. The PSA rate shall be applied to customer bills. Unless the Commission has otherwise acted on a new PSA rate by February 1, the proposed PSA rate (as amended by the updated December 31 filing) shall go into effect. However, the PSA rate may not change from the prior year's PSA rate by more than plus or minus \$0.004 per kWh. The PSA rate shall be applicable to APS' retail electric rate schedules (with the exception of Solar- 2, E-3, E-4, E-36, Direct Access service and any other rate that is exempt from the PSA) and is adjusted annually. The PSA Rate shall be applied to the customer's bill as a monthly kWh charge that is the same for all customer classes.

The PSA rate shall be reset on February 1 of each year, and shall be effective with the first February billing cycle unless suspended by the Commission. It is not prorated.

4. Filing and Procedural Deadlines

a. September 30 Filing

APS shall file the PSA rate with all Component calculations for the PSA year beginning on the next February 1, including all supporting data, with the Commission on or before September 30 of each year. That calculation shall use a forecast of kWh sales and of PSA Costs for the coming calendar year, with all inputs and assumptions being the most current available for the Forward Component. The filing will also include the Historical Component calculation for the year beginning on the next February 1, with all supporting data. That calculation shall use the same forecast of sales used for the Forward Component calculation. The Transition Component filing shall also include a proposed method for addressing the over or under recovery of any Transition Component balances that result from changes in the sales forecasts or recovery periods set or any additions to or subtractions from Transition Component balances reviewed or approved by the Commission since the last February 1 resetting of the new PSA.³

b. December 31 Filing

APS shall by December 31 update the September 30 filing. This update shall replace estimated Forward Component Tracking Account balances, the Historical Component Tracking Account balances, and the Transition Component Tracking Account balances with actual balances and with more current estimates for those months (December and January) for which actual data are not available. Unless the Commission has otherwise acted on the APS calculation by February 1, the PSA rate proposed by APS shall go into effect with the first February billing cycle.⁴

c. Additional Filings

APS shall also file with the Commission any additional information that the Staff determines it requires to verify the component calculations, account balances, and any other matter pertinent to the PSA.

d. Review Process

The Commission Staff and interested parties shall have an opportunity to review the September 30 and December 31 forecast, balances, and supporting data on which the calculations of the three PSA components have been based. Any objections to the September 30 calculations shall be filed within 45 days of the APS filing. Any objections to the December 31 calculations shall be filed within 15 days of the APS filing.

5. Verification and Audit

The amounts charged through the PSA shall be subject to periodic audit to assure their completeness and accuracy and to assure that all fuel and purchased power costs were incurred

³ This method assumes that the Commission defers the recovery of any approved Transition Component Balance changes until the next February 1 PSA resetting. The Commission may also, as part of the approval of any such Transition Component Balance change, make a PSA change effective on dates and across periods as it determines to be appropriate when it approves such a Transition Component Balance change.

⁴ No reference in this plan to effectiveness in the absence of Commission action shall be interpreted as precluding the normal application of the balance reconciliation provisions generally established for the PSA.

reasonably and prudently. The Commission may, after notice and opportunity for hearing, make such adjustments to existing balances or to already recovered amounts as it finds necessary to correct any accounting or calculation errors or to address any costs found to be unreasonable or imprudent. Such adjustments, with appropriate interest, shall be recovered or refunded through the Transition Component.

6. Definitions

Applicable Interest - Based on one-year Nominal Treasury Constant Maturities rate contained in the Federal Reserve Statistical Release H-15. The interest rate is adjusted annually on the first business day of the calendar year.

Base PSA Costs- An amount generally expressed as a rate per kWh, which reflects the fuel and purchased power cost and net margins from the sales of emission allowances embedded in the base rates as approved by the Commission in APS' most recent rate case. The Base PSA Costs recovered in base revenue is the approved rate per kWh times the applicable sales volumes. Decision No. XXXXX set the base cost at \$0.037571 per kWh effective on January 1, 2010.

Base Net Margins on the Sale of Emission Allowances- An amount generally expressed as a rate per kWh, which reflects the net margins on sales of SO₂ emission allowances embedded in the base rates as approved by the Commission in APS' most recent rate case. The Base Net Margins on the Sale of Emission Allowances is set at ((\$0.000242) per kWh) effective on January 1, 2010.

PSA Costs- The combination of System Book Fuel and Purchased Power Costs net of the System Book Off-System Sales Revenues plus the Net Margins on the Sales of Emission Allowances.

Forward Component - An amount generally expressed as a rate per kWh charge that is updated annually on February 1 of each year and effective with the first billing cycle in February. The Forward Component for the PSA Year will adjust for the difference between the forecast PSA Costs generally expressed as a rate per kWh less the Base PSA Costs generally expressed as a rate per kWh embedded in APS' base rates. The result of this calculation will equal the Forward Component, generally expressed as a rate per kWh.

Forward Component Tracking Account - An account that records on a monthly basis APS' over/under-recovery of its actual PSA Costs as compared to the actual Base PSA Costs recovered in revenue and Forward Component revenue; plus Applicable Interest. The balance of this account as of the end of each PSA Year is, subject to periodic audit, reflected in the next Historical Component calculation. APS files the balances and supporting details underlying this Account with the Commission on a monthly basis.

Historical Component - An amount generally expressed as a rate per kWh charge that is updated annually on February 1 of each year and effective with the first billing cycle in February unless suspended by the Commission. The purpose of this charge is to provide for a true-up mechanism to reconcile any over or under-recovered amounts from the preceding PSA Year tracking account balances to be refunded/collected from customers in the coming year's PSA rate.

Historical Component Tracking Account - An account that records on a monthly basis the account balance to be collected via the Historical Component rate as compared to the actual Historical Component revenues; plus Applicable Interest; the balance of which at the close of the preceding PSA Year is, subject to periodic audit, then reflected in the next Historical Component calculation. APS files the balances and supporting details underlying this Account with the Commission on a monthly basis.

ISFSI - Costs associated with the Independent Spent Fuel Storage Installation that stores spent nuclear fuel.

Mark-to-Market Accounting - Recording the value of qualifying commodity contracts to reflect their current market value relative to their actual cost.

Native Load - Native load includes customer load in the APS control area for which APS has a generation service obligation and PacifiCorp Supplemental Sales.

Net Margins on the Sale of Emission Allowances - Revenues incurred from the sale of emission allowances net of the costs incurred to produce the excess allowances

PacifiCorp Supplemental Sales - The PacifiCorp Supplemental Sales agreement is a long-term contract from 1990, which requires APS to offer a certain amount of energy to PacifiCorp each year. It is a component of the set of agreements that led to the sale of Cholla Unit 4 to PacifiCorp and the establishment of the seasonal diversity exchange with PacifiCorp.

PSA - The Power Supply Adjustment mechanism approved by the Commission in Decision No. 69663 and amended by the Commission in Decision No. XXXXX, which is a combination of three rate components that track changes in the cost of obtaining power supplies based upon forward-looking estimates of PSA Costs that are eventually reconciled to actual costs experienced. This PSA allows for special Commission consideration of extreme volatility in costs or recovery by means of a mid-year rate correction, and provides for a reconciliation between actual and estimated costs of the last two months of estimated costs used in Historical Component calculations.

PSA Year - A consecutive 12-month period generally beginning each February 1.

Preference Power - Power allocated to APS wholesale customers by federal power agencies such as the Western Area Power Administration.

System Book Fuel and Purchased Power Costs - The costs recorded for the fuel and purchased power used by APS to serve both Native Load and off-system sales, less the costs associated with applicable special contracts, E-36, RCDAC-1, ISFSI, and Mark-to-Market Accounting adjustments. Wheeling costs are included; broker fees are included up to the level in the Base Cost of Fuel and Purchased Power authorized in Decision No. XXXXX.

System Book Off-System Sales Revenue - The revenue recorded from sales made to non-Native Load customers, for the purpose of optimizing the APS system, using APS-owned or contracted generation and purchased power, less Mark-to-Market Accounting adjustments.

Traditional Sales-for-Resale - The portion of load from Native Load wholesale customers that is served by APS, excluding the load served with Preference Power.

Transition Component - An amount generally expressed as a rate per kWh charge to be applied when necessary to provide for significant changes between estimated and actual costs under the Forward Component.

Transition Component Tracking Account - An account that records on a monthly basis the account balance to be collected via the Transition Component as compared to the actual Transition Component revenues, plus applicable interest; the balance of which upon Commission consideration may then be reflected in the next Transition Component calculation. APS files the balances and supporting details underlying this Account with the Commission on a monthly basis.

Wheeling Costs (FERC Account 565, Transmission of Electricity by Others) - Amounts payable to others for the transmission of APS' electricity over transmission facilities owned by others.

7. Schedules

Samples of the following schedules are attached to this Plan of Administration

- | | |
|------------|---|
| Schedule 1 | Power Supply Adjustment (PSA) Rate Calculation Effective February 1, 2010 |
| Schedule 2 | PSA Forward Component Rate Calculation Effective February 1, 2010 |
| Schedule 3 | PSA Year Forward Component Tracking Account (in effect February 1, 2010-January 31, 2011) |
| Schedule 4 | PSA Historical Component Rate Calculation Effective February 1, 2010 |
| Schedule 5 | Historical Component Tracking Account (in effect February 1, 2010-January 31, 2011) |
| Schedule 6 | PSA Transition Component Rate Calculation |
| Schedule 7 | PSA Transition Tracking Account (in effect XX 1, 20XX-XX 31, 20XX) |

8. Compliance Reports

APS shall provide monthly reports to Staff's Compliance Section and to the Residential Utility Consumer Office detailing all calculations related to the PSA. An APS Principal Officer, as listed in the Company's annual report filed with the Commission's Corporations Division, shall certify under oath that all information provided in the reports itemized below is true and accurate to the best of his or her information and belief. These monthly reports shall be due within 30 days of the end of the reporting period.

The publicly available reports will include at a minimum:

1. The PSA Rate Calculation (Schedule 1); Forward Component, Historical Component, and Transition Component Calculations (Schedules 2, 4, and 6); Annual Forward Component, Historical Component, and Transition Component Tracking Account Balances (Schedules 3, 5, and 7). Additional information will provide other relative inputs and outputs such as:
 - a. Total power and fuel costs.
 - b. Margins on the sale of excess emission allowances.
 - c. Customer sales in both MWh and thousands of dollars by customer class.
 - d. Number of customers by customer class.
 - e. A detailed listing of all items excluded from the PSA calculations.
 - f. A detailed listing of any adjustments to the adjustor reports.
 - g. Total off-system sales revenues.
 - h. System losses in MW and MWh.
 - i. Monthly maximum retail demand in MW.
2. Identification of a contact person and phone number from APS for questions.

APS shall provide to Commission Staff monthly reports containing the information listed below. These reports shall be due within 30 days of the end of the reporting period. All of these additional reports will be provided confidentially.

A. Information for each generating unit shall include the following items:

1. Net generation, in MWh per month, and 12 months cumulatively.
2. Average heat rate, both monthly and 12-month average.
3. Equivalent forced-outage rate, both monthly and 12-month average.
4. Outage information for each month including, but not limited to, event type, start date and time, end date and time, and a description.
5. Total fuel costs per month.
6. The fuel cost per kWh per month.

B. Information on power purchases shall include the following items per seller (information on economy interchange purchases may be aggregated):

1. The quantity purchased in MWh.
2. The demand purchased in MW to the extent specified in the contract.
3. The total cost for demand to the extent specified in the contract.
4. The total cost of energy.

C. Information on off-system sales shall include the following items:

1. An itemization of off-system sales margins per buyer.
2. Details on negative off-system sales margins.

D. Fuel purchase information shall include the following items:

1. Natural gas interstate pipeline costs, itemized by pipeline and by individual cost components, such as reservation charge, usage, surcharges and fuel.

2. Natural gas commodity costs, categorized by short-term purchases (one month or less) and longer term purchases, including price per them, total cost, supply basin, and volume by contract.

E. APS will also provide:

1. Monthly projections for the next 12-month period showing estimated (Over)/under-collected amounts.
2. A summary of unplanned outage costs by resource type.
3. A summary of the net margins on the sale of emission allowances.
4. The data necessary to arrive at the System and Off-System Book Fuel and Purchased Power cost reflected in the non-confidential filing.
5. The data necessary to arrive at the Native Load Energy Sales MWh reflected in the non-confidential filing.

Work papers and other documents that contain proprietary or confidential information will be provided to the Commission Staff under an appropriate confidentiality agreement. APS will keep fuel and purchased power invoices and contracts available for Commission review. The Commission has the right to review the prudence of fuel and power purchases and any calculations associated with the PSA at any time. Any costs flowed through the PSA are subject to refund, if those costs are found to be imprudently incurred.

9. Allowable Costs

a. Accounts

The allowable PSA costs include fuel and purchased power costs incurred to provide service to retail customers. And, the prudent direct costs of contracts used for hedging system fuel and purchased power will be recovered under the PSA. Additionally, the net margins on the sale of emission allowances will also be refunded or recovered through the PSA. The allowable cost components include the following Federal Energy Regulatory Commission ("FERC") accounts:

- 501 Fuel (Steam)
- 518 Fuel (Nuclear) less ISFSI regulatory amortization
- 547 Fuel (Other Production)
- 555 Purchased Power
- 565 Wheeling (Transmission of Electricity by Others)
- 411 O&M (Margins on the Sale of Emission Allowances)

Additionally, broker fees recorded in FERC account 557 are allowable up to the limit set in Decision No. XXXXX.

These accounts are subject to change if the Federal Energy Regulatory Commission alters its accounting requirements or definitions.

b. Directly Assignable Power Supply Costs Excluded

Decision No. 66567 provides APS the ability to recover reasonable and prudent costs associated with customers who have left APS standard offer service, including special contract rates, for a competitive generation supplier and then return to standard offer service. For administrative purposes, customers who were direct access customers since origination of service and request standard offer service would be considered to be returning customers. A direct assignment or special adjustment may be applied that recognizes the cost differential between the power purchases needed to accommodate the returning customer and the power supply cost component of the otherwise applicable standard offer service rate. This process is described in the Returning Customer Direct Access Charge rate schedule and associated Plan for Administration filed with the Commission.

In addition, if APS purchases power under specific terms on behalf of a standard offer special contract customer, the costs of that power may be directly assigned. In both cases, where specific power supply costs are identified and directly assigned to a large returning customer or standard offer special contract customer or group of customers, these costs will be excluded from the Adjustor Rate calculations. Schedule E-36 customers are directly assigned power supply costs based on the APS system incremental cost at the time the customer is consuming power from the APS system so their power supply costs are excluded from the PSA.

Power Supply Adjustment Plan of Administration

Table of Contents

1. General Description	1
2. PSA Components	1
3. Calculation of the PSA Rate	5
4. Filing and Procedural Deadlines	5
5. Verification and Audit	6
6. Definitions	6
7. Calculations	8
8. Compliance Reports	9
9. Allowable Costs	10

1. General Description

This document describes the plan for administering the Power Supply Adjustment mechanism ("PSA") approved for Arizona Public Service Company ("APS") by the Commission on (Insert new date and decision number here?) June 28, 2007 in Decision No. 69663 and amended by the Commission on -XXXXX- in Decision No. XXXXX-. This PSA replaces the Power Supply Adjustment mechanism approved in Decision No. 69663 and Decision No. 67744 ("the old PSA"), approved by the Commission in 2008 and 2005, respectively. The PSA provides for the recovery of fuel and purchased power costs, to the extent that actual fuel and purchased power costs deviate from the amount recovered through APS' Base Cost of Fuel and Purchased Power Power (\$0.032491-037571 per kWh) authorized in Decision No. 6966XXXXX3, from January 1, 201007 onward (Insert new date and decision number here?). It also provides for refund or recovery of the net margins from sales of emission allowances sales margins in excess of the costs incurred to obtain the excess allowances, to the extent the actual sales margins deviate from the authorized base rate amount of ((\$0.000200\$0.000242) per kWh)

The old PSA used historical, experienced costs to set a PSA rate, and then reconciled subsequent collections there under to actual costs, subject to a number of guidelines and limitations. By contrast, the PSA described in this Plan of Administration ("POA") uses a forward-looking estimate of fuel and purchased power costs and margins on the sales of excess emission allowances costs ("Deferrable PSA Costs") to set a rate that is then reconciled to actual costs experienced. This PSA retains the includes a 90/10 sharing mechanism from the old PSA under which APS absorbs 10 percent of the deviations between actual fuel and purchased power costs and the amount recovered through base rates. The demand component of long-term purchased power agreements (duration of three years or longer) acquired via a competitive

procurement process, ~~and renewable energy costs not recovered through other mechanisms are exempt from the 90/10 sharing, and differences in net margins from the sales of emission allowances sales margins from the amount in base are exempt from the 90/10 sharing.~~ This PSA includes a limit of \$0.004 per kilowatt-hour (kWh) on the amount the PSA rate may change in any one year. ~~This PSA defines the method for the refund or collection of balances accrued under the old PSA, prior to its replacement by this PSA.~~ This PSA also provides a mechanism for mid-year rate adjustment in the event that conditions change sufficiently to cause extraordinarily high balances to accrue under application of this PSA.

2. PSA Components

The PSA Rate will consist of three components designed to provide for the recovery of actual, prudently incurred fuel and purchased power costs ~~Deferrable~~ PSA Costs. Those components are:

1. The Forward Component, which recovers or refunds differences between expected PSA Year (each February 1 through January 31 period shall constitute a PSA Year) ~~fuel and purchased power costs deferrable~~ PSA Costs and those embedded in base rates.
2. The Historical Component, which tracks the differences between the PSA Year's actual fuel and purchased power costs and those recovered through the combination of base rates and the Forward Component, and which provides for their recovery during the next PSA Year.
3. The Transition Component, which provides for:
 - a. The opportunity to seek a mid-year change in the PSA rate in cases where variances between the anticipated recovery of fuel and purchased power costs for the PSA Year under the combination of base rates and the Forward Component become so large as to warrant recovery, should the Commission deem such an adjustment to be appropriate.
 - b. The tracking of balances resulting from the application of the Transition Components, in order to provide a basis for the refund or recovery of any such balances.

~~Except for the initial year circumstances when the Commission approves new base rates, a PSA Year begins on February 1 and ends on the ensuing January 31. The first PSA Year in which the new PSA rate shall apply begins on July 1, 2007, and ends on January 31, 2008. Succeeding PSA Years will begin on each February 1 thereafter. In the event that new base rates become effective on a date other than February 1, then Commission may, at its discretion, adjust any or all of the PSA components to reflect the new base rates.~~

On or before September 30 of each year, APS will submit a PSA Rate filing, which shall include a proposed calculation of the three components of the PSA Rate. This filing shall be accompanied by such supporting information as Staff determines to be required. APS will supplement this filing with Historical Component and Transition Component filings on or before December 31 in order to replace estimated balances with actual balances, as explained below.

a. Forward Component Description

The Forward Component is intended to refund or recover the difference between: (1) ~~the fuel and purchased power costs~~ deferrable PSA eCosts embedded in base rates and (2) the forecasted fuel and purchased power costs PSA deferrable eCosts over a PSA Year that begins on February 1 and ends on the ensuing January 31. APS will submit, on or before September 30 of each year, a forecast for the upcoming calendar year (January 1-December 31) of its ~~fuel and purchased power costs~~ PSA deferrable eCosts. It will also submit a forecast of kWh sales for the same calendar year, and divide the forecasted costs by the forecasted sales to produce the cents#/kWh unit rate required to collect those costs over those sales. The result of subtracting the Base Cost of ~~Fuel and Purchased Power~~ Deferrable PSA Costs from this unit rate shall be the Forward Component. The Forward Component for the first PSA Year is zero (I assume this is still correct, but need to re-define the "first" year?.).

APS shall maintain and report monthly the balances in a Forward Component Tracking Account, which will record APS' over/under-recovery of its actual ~~costs of fuel and purchased power~~ PSA deferrable eCosts as compared to the actual ~~Base Cost of Fuel and Purchased Power revenue~~ Deferrable PSA Costs recovered in revenue. The over/under-recovery of costs is divided into two separate calculations to allow the application of the 90/10 sharing mechanism on those costs to which it applies. The balance calculated as a result of these steps is then reduced by the current month's collection of Forward Component revenue. This account will operate on a PSA Year basis (i.e.; February to January), and its balances will be used to administer this PSA's Historical Component, which is described immediately below.

b. Historical Component Description

The Historical Component in any current PSA Year is intended to refund or recover the balances accumulated in the Forward Component Tracking Account (described above) and Historical Component Tracking Account (described below) during the immediately preceding PSA Year. The sum of the projected Forward Component Tracking Account balance on January 31 of the following calendar year and the projected Historical Component Tracking Account balance on January 31 of the following calendar year is divided by the ~~forecast~~ forecasted kWh sales used to set the Forward Component for the coming PSA Year. That result comprises the proposed Historical Component for the coming PSA year. ~~The Historical Component for the first PSA year is zero.~~

APS shall maintain and report monthly the balances in a Historical Component Tracking Account, which will reflect monthly collections under the Historical Component and the amounts approved for use in calculating the Historical Component.

Each annual September 30 APS filing will include an accumulation of Forward Component Tracking Account balances and Historical Component Tracking Account balances for the preceding February through August and an estimate of the balances for September through January (the remaining five months of the current PSA Year). The APS filing shall use these

balances to calculate a preliminary Historical Component for the coming PSA Year¹. On or before December 31, APS will submit a supplemental filing that recalculates the preliminary Historical Component. This recalculation shall replace estimated monthly balances with those actual monthly balances that have become available since the September 30 filing.

The September 30 filing's use of estimated balances for September through January (with supporting workpapers) is required to allow the PSA review process to begin in a way that will support its completion and a Commission decision, if necessary, prior to February 1. The December 31 updating will allow for the use of the most current balance information available prior to the time when a Commission decision, if necessary, is expected. In addition to the December 31 update filing, APS monthly filings (for the months of September through December) of Forward Component Tracking Account balance information and Historical Component Tracking Account balance information will include a recalculation (replacing estimated balances with actual balances as they become known) of the projected Historical Component unit rate required for the next PSA Year.²

~~—IMPORTANT change this paragraph to just suggest that the ACC can change the dates~~

The Historical Component Tracking Account will measure the changes each month in the Historical Component balance used to establish the current Historical Component as a result of collections under the Historical Component in effect. It will subtract each month's Historical Component collections from the Historical Component balance. The Historical Component Account will also include Applicable Interest on any balances. APS shall file the amounts and supporting calculations and workpapers for this account each month.

¹ For example, the September 30, 2008 filing would include actual balances for February through August of 2008 and estimated balances for September 2008 through January 2009.

² This updating to replace estimated with actual information will allow for the Commission to use the latest available balance information in determining what Historical Component is appropriate to establish for the coming PSA Year.

c. Transition Component Description

The Transition Component will be used as the method for incorporating any future, approved mid-year changes to the PSA rate. APS, Staff, or the Commission on its own motion retain the ability to request at any time a change in the PSA rate through an adjustment to the Transition Component to address a significant imbalance between anticipated collections and costs for the PSA Year under the Forward Component element of this PSA. After the review of such request, the Commission may provide for the refund or collection of such balance (through a change to the Transition Component Balance) over such period as the Commission determines appropriate through a unit rate (\$/kWh) imposed as part of the Transition Component.

A Transition Component Tracking Account will measure the changes each month in the Transition Component balance. APS, Staff, or the Commission on its own motion may request that the balance in any Transition Component Tracking Account at the end of the period set for recovery be included in the establishment of the Transition Component for the coming PSA Year.

The Transition Component Account will also include Applicable Interest as determined by the Commission. APS shall file the amounts and supporting calculations and workpapers for this account each month.

As it must do for the Historical Component filing, APS shall file on or before September 30 of each year an accumulation of Transition Component Tracking Account balances for the preceding February through August and an estimate of the balances for September through January (the remaining five months of the prior PSA Year). Those balances will form the basis for setting the preliminary Transition Component for the coming PSA Year. On or before December 31, APS will submit a supplemental filing to update the Transition Component calculation in the same manner as required for the Historical Component.

~~d. Old PSA Rates (keep or delete??)~~

~~In Decision No. 69663, the Commission found that certain costs should be recovered under the old PSA method. Those costs are the following:~~

- ~~1. \$1 10 million of calendar year 2006 unrecovered costs currently being collected through a \$0.003987 per kWh Annual Adjustor rate which took effect February 1, 2007;~~
- ~~2. \$46 million of calendar year 2007 unrecovered costs, related to the implementation of APS' new Base Fuel and Purchased Power at mid year 2007, which are to be added to the June 30, 2007 balance in item 1 above and are to be recovered through the extension of the adjustor rate in item 1 above until such costs are collected; and~~
- ~~3. \$34 million of calendar year 2005 unrecovered costs related to outages at the Palo Verde Nuclear Generating Station to be recovered through a surcharge of \$0.001176 per kWh from July 1, 2007 through June 30, 2008 or until the \$34 million is collected, whichever is sooner.~~

These rates are not included in the application of the \$0.004 per kWh limit on annual changes in the PSA rate.

3. Calculation of the PSA Rate

The PSA rate is the sum of the three components; i.e., Forward Component, Historical Component, and Transition Component. The PSA rate shall be applied to customer bills. Unless the Commission has otherwise acted on a new PSA rate by February 1, the proposed PSA rate (as amended by the updated December 31 filing) shall go into effect. However, the PSA rate may not change from the prior year's PSA rate by more than plus or minus \$0.004 per kWh. The PSA rate shall be applicable to APS' retail electric rate schedules (with the exception of Solar-1, Solar-2, SP-1, E-3, E-4, E-36, Direct Access service and any other rate that is exempt from the PSA) and is adjusted annually. The PSA Rate shall be applied to the customer's bill as a monthly kWh charge that is the same for all customer classes.

The PSA rate shall be reset on February 1 of each year, and shall be effective with the first February billing cycle unless suspended by the Commission. It is not prorated.

4. Filing and Procedural Deadlines

a. September 30 Filing

APS shall file the PSA rate with all Component calculations for the PSA year beginning on the next February 1, including all supporting data, with the Commission on or before September 30 of each year. That calculation shall use a forecast of kWh sales and ~~of~~ of fuel and purchased power costs ~~PSA deferrable~~ Costs for the coming calendar year, with all inputs and assumptions being the most current available for the Forward Component. The filing will also include the Historical Component calculation for the year beginning on the next February 1, with all supporting data. That calculation shall use the same forecast of sales used for the Forward Component calculation. The Transition Component filing shall also include a proposed method for addressing the over or under recovery of any Transition Component balances that result from changes in the sales forecasts or recovery periods set or any additions to or subtractions from Transition Component balances reviewed or approved by the Commission since the last February 1 resetting of the new PSA.³

b. December 31 Filing

APS shall by December 31 update the September 30 filing. This update shall replace estimated Forward Component Tracking Account balances, the Historical Component Tracking Account balances, and the Transition Component Tracking Account balances with actual balances and with more current estimates for those months (December and January) for which actual data are

³ This method assumes that the Commission defers the recovery of any approved Transition Component Balance changes until the next February 1 PSA resetting. The Commission may also, as part of the approval of any such Transition Component Balance change, make a PSA change effective on dates and across periods as it determines to be appropriate when it approves such a Transition Component Balance change.

not available. Unless the Commission has otherwise acted on the APS calculation by February 1, the PSA rate proposed by APS shall go into effect with the first February billing cycle.⁴

c. Additional Filings

APS shall also file with the Commission any additional information that the Staff determines it requires to verify the component calculations, account balances, and any other matter pertinent to the PSA.

d. Review Process

The Commission Staff and interested parties shall have an opportunity to review the September 30 and December 31 forecast, balances, and supporting data on which the calculations of the three PSA components have been based. Any objections to the September 30 calculations shall be filed within 45 days of the APS filing. Any objections to the December 31 calculations shall be filed within 15 days of the APS filing.

~~The dates aforementioned for submitting of the filing for review of the proposed rates for the prompt year, along with the actual start dates for the new rates, may be altered by Commission action in years when a new Base Rates is scheduled to begin.~~

5. Verification and Audit

The amounts charged through the PSA shall be subject to periodic audit to assure their completeness and accuracy and to assure that all fuel and purchased power costs were incurred reasonably and prudently. The Commission may, after notice and opportunity for hearing, make such adjustments to existing balances or to already recovered amounts as it finds necessary to correct any accounting or calculation errors or to address any costs found to be unreasonable or imprudent. Such adjustments, with appropriate interest, shall be recovered or refunded through the Transition Component.

6. Definitions

Applicable Interest - Based on one-year Nominal Treasury Constant Maturities rate contained in the Federal Reserve Statistical Release H-15. The interest rate is adjusted annually on the first business day of the calendar year.

~~Base Cost of Fuel and Purchased Power Deferrable PSA Costs~~ - An amount generally expressed as a rate per kWh, which reflects the fuel and purchased power cost and net margins from the sales of emission allowances embedded in the base rates as approved by the Commission in APS' most recent rate case. The Base Cost of Fuel and Purchased Power ~~Deferrable PSA Costs~~

⁴ No reference in this plan to effectiveness in the absence of Commission action shall be interpreted as precluding the normal application of the balance reconciliation provisions generally established for the new-PSA.

recovered in base revenue is the approved rate per kWh times the applicable sales volumes. Decision No. 69633XXXXX _____ set the base cost at \$0.032491-037571 per kWh effective on July-January 1, 201007.

Base Net Margins on the Sale of Emission Allowances- An amount generally expressed as a rate per kWh, which reflects the net margins on sales of SO₂ emission allowances embedded in the base rates as approved by the Commission in APS' most recent rate case. The Base Net Margins on the Sale of Emission Allowances ~~Excess Emission Allowance Costs~~ START HERE ~~FIX THIS~~ is set at ((\$0.000242) per kWh) effective on January 1, 2010.:

DeferrablePSA Costs- The combination of System Book Fuel and Purchased Power Costs net of the System Book Off-System Sales Revenues plus the Net Mmargins on the Ssales of Emission Allowances.

Forward Component - An amount generally expressed as a rate per kWh charge that is updated annually on February 1 of each year and effective with the first billing cycle in February. The Forward Component for the PSA Year will adjust for the difference between the ~~forecasted forecast fuel and purchased power costs~~ deferrablePSA costs ~~Costs~~ generally expressed as a rate per kWh less the Base Cost of Fuel and Purchased Power DeferrablePSA Costs generally expressed as a rate per kWh embedded in APS' base rates. The result of this calculation will equal the Forward Component, generally expressed as a rate per kWh.

Forward Component Tracking Account - An account that records on a monthly basis APS' over/under-recovery of its actual ~~costs of fuel and purchased power~~ deferrable costs ~~PSA Costs~~ as compared to the actual Base Cost of DeferrablePSA Costs recovered in revenue ~~Fuel and Purchased Power revenue~~ and Forward Component revenue; plus Applicable Interest. The balance of this account as of the end of each PSA Year is, subject to periodic audit, reflected in the next Historical Component calculation. APS files the balances and supporting details underlying this Account with the Commission on a monthly basis.

Historical Component - An amount generally expressed as a rate per kWh charge that is updated annually on February 1 of each year and effective with the first billing cycle in February unless suspended by the Commission. The purpose of this charge is to provide for a true-up mechanism to reconcile any over or under-recovered amounts from the preceding PSA Year tracking account balances to be refunded/collected from customers in the coming year's PSA rate.

Historical Component Tracking Account - An account that records on a monthly basis the account balance to be collected via the Historical Component rate as compared to the actual Historical Component revenues; plus Applicable Interest; the balance of which at the close of the preceding PSA Year is, subject to periodic audit, then reflected in the next Historical Component calculation. APS files the balances and supporting details underlying this Account with the Commission on a monthly basis.

ISFSI - Costs associated with the Independent Spent Fuel Storage Installation that stores spent nuclear fuel.

Mark-to-Market Accounting - Recording the value of qualifying commodity contracts to reflect their current market value relative to their actual cost.

Native Load - Native load includes customer load in the APS control area for which APS has a generation service obligation and PacifiCorp Supplemental Sales.

Net Margins on the Sale of Emission Allowances - Revenues incurred from the sale of emission allowances net of the costs incurred to produce the excess allowances

PacifiCorp Supplemental Sales - The PacifiCorp Supplemental Sales agreement is a long-term contract from 1990, which requires APS to offer a certain amount of energy to PacifiCorp each year. It is a component of the set of agreements that led to the sale of Cholla Unit 4 to PacifiCorp and the establishment of the seasonal diversity exchange with PacifiCorp.

~~Old PSA - The Power Supply Adjustment mechanism approved in Decision No. 67744 to track changes in the APS cost of obtaining fuel and purchased power.~~

This PSA - The Power Supply Adjustment mechanism approved by the Commission in Decision No. 69663 and amended by the Commission in Decision No. XXXXX_____, which is a combination of three rate components that track changes in the cost of obtaining power supplies based upon forward-looking estimates of fuel and purchased power costs ~~deferrable costs~~ PSA Costs that are eventually reconciled to actual costs experienced. This PSA ~~also provides for the transition from the prior PSA to this PSA,~~ allows for special Commission consideration of extreme volatility in costs or recovery by means of a mid-year rate correction, and provides for a reconciliation between actual and estimated costs of the last two months of estimated costs used in Historical Component calculations.

PSA Year - A consecutive 12-month period generally beginning each February 1. ~~This date is subject to Commission action in years when a new base rate is going into effect.~~

~~PSA Year One - A period determined by the Commission in Decision No. 69633 to begin on July 1, 2007 and end on January 31, 2008. (Should this be redefined to be 2010??).~~

Preference Power - Power allocated to APS wholesale customers by federal power agencies such as the Western Area Power Administration.

System Book Fuel and Purchased Power Costs - The costs recorded for the fuel and purchased power used by APS to serve both Native Load and off-system sales, less the costs associated with applicable special contracts, E-36, RCDAC-1, ISFSI, and Mark-to-Market Accounting adjustments. Wheeling costs are included; broker fees are included up to the level in the Base Cost of Fuel and Purchased Power authorized in Decision No. XXXXXX69633.

System Book Off-System Sales Revenue - The revenue recorded from sales made to non-Native Load customers, for the purpose of optimizing the APS system, using APS-owned or contracted generation and purchased power, less Mark-to-Market Accounting adjustments.

Traditional Sales-for-Resale - The portion of load from Native Load wholesale customers that is served by APS, excluding the load served with Preference Power.

Transition Component - An amount generally expressed as a rate per kWh charge to be applied when necessary to provide for significant changes between estimated and actual costs under the Forward Component.

Transition Component Tracking Account - An account that records on a monthly basis the account balance to be collected via the Transition Component as compared to the actual Transition Component revenues, plus applicable interest; the balance of which upon Commission consideration may then be reflected in the next Transition Component calculation. APS files the balances and supporting details underlying this Account with the Commission on a monthly basis.

Wheeling Costs (FERC Account 565, Transmission of Electricity by Others) - Amounts payable to others for the transmission of APS' electricity over transmission facilities owned by others.

7. Schedules

Samples of the following schedules are attached to this Plan of Administration (Should all of these dates be updated??):

- | | |
|-------------|---|
| Schedule 1 | Power Supply Adjustment (PSA) Rate Calculation Effective February 1, 200108 |
| Schedule 2 | PSA Forward Component Rate Calculation Effective February 1, 201008 |
| Schedule 3 | 2007-PSA Year Forward Component Tracking Account (in effect July-February 1, 20072010-
January 31, 20082011) |
| Schedule 4 | PSA Historical Component Rate Calculation Effective July-February 1, 201007 |
| Schedule 5 | Historical Component Tracking Account (in effect February 1, 200810-January 31, 201109) |
| Schedule 6 | PSA Transition Component Rate Calculation |
| Schedule 7 | PSA Transition Tracking Account (in effect XX 1, 20XX-XX 31, 20XX) |
| Schedule 8 | Old PSA Annual Adjustor Account |
| Schedule 9 | Old PSA Step 2 Surcharge Tracking Account |
| Schedule 10 | 2007 Old PSA Tracking Account |

8. Compliance Reports

APS shall provide monthly reports to Staff's Compliance Section and to the Residential Utility Consumer Office detailing all calculations related to the PSA. An APS Principal Officer, as

listed in the Company's annual report filed with the Commission's Corporations Division, shall certify under oath that all information provided in the reports itemized below is true and accurate to the best of his or her information and belief. These monthly reports shall be due within 30 days of the end of the reporting period.

The publicly available reports will include at a minimum:

1. The PSA Rate Calculation (Schedule 1); Forward Component, Historical Component, and Transition Component Calculations (Schedules 2, 4, and 6); Annual Forward Component, Historical Component, and Transition Component Tracking Account Balances (Schedules 3, 5, and 7). Additional information will provide other relative inputs and outputs such as:
 - a. Total power and fuel costs.
 - b. Margins on the sale of excess emission allowances.
 - bc. Customer sales in both MWh and thousands of dollars by customer class.
 - ed. Number of customers by customer class.
 - de. A detailed listing of all items excluded from the PSA calculations.
 - ef. A detailed listing of any adjustments to the adjustor reports.
 - fg. Total off-system sales revenues.
 - gh. System losses in MW and MWh.
 - hi. Monthly maximum retail demand in MW.
2. Identification of a contact person and phone number from APS for questions.

APS shall provide to Commission Staff monthly reports containing the information listed below. These reports shall be due within 30 days of the end of the reporting period. All of these additional reports will be provided confidentially.

A. Information for each generating unit shall include the following items:

1. Net generation, in MWh per month, and 12 months cumulatively.
2. Average heat rate, both monthly and 12-month average.
3. Equivalent forced-outage rate, both monthly and 12-month average.
4. Outage information for each month including, but not limited to, event type, start date and time, end date and time, and a description.
5. Total fuel costs per month.
6. The fuel cost per kWh per month.

B. Information on power purchases shall include the following items per seller (information on economy interchange purchases may be aggregated):

1. The quantity purchased in MWh.
2. The demand purchased in MW to the extent specified in the contract.
3. The total cost for demand to the extent specified in the contract.
4. The total cost of energy.

C. Information on off-system sales shall include the following items:

1. An itemization of off-system sales margins per buyer.
2. Details on negative off-system sales margins.

D. Fuel purchase information shall include the following items:

1. Natural gas interstate pipeline costs, itemized by pipeline and by individual cost components, such as reservation charge, usage, surcharges and fuel.
2. Natural gas commodity costs, categorized by short-term purchases (one month or less) and longer term purchases, including price per them, total cost, supply basin, and volume by contract.

E. APS will also provide:

1. Monthly projections for the next 12-month period showing estimated (Over)/under-collected amounts.
2. A summary of unplanned outage costs by resource type.
3. A summary of the net margins on the sale of emission allowances.
34. The data necessary to arrive at the System and Off-System Book Fuel and Purchased Power cost reflected in the non-confidential filing.
45. The data necessary to arrive at the Native Load Energy Sales MWh reflected in the non-confidential filing.

Work papers and other documents that contain proprietary or confidential information will be provided to the Commission Staff under an appropriate confidentiality agreement. APS will keep fuel and purchased power invoices and contracts available for Commission review. The Commission has the right to review the prudence of fuel and power purchases and any calculations associated with the PSA at any time. Any costs flowed through the PSA are subject to refund, if those costs are found to be imprudently incurred.

9. Allowable Costs

a. Accounts

The allowable PSA costs include fuel and purchased power costs incurred to provide service to retail customers. ~~Additionally~~ And, the prudent direct costs of contracts used for hedging system fuel and purchased power will be recovered under the PSA. Additionally, the net margins on the sale of emission allowances will also be refunded or recovered through the PSA. The allowable cost components include the following Federal Energy Regulatory Commission ("FERC") accounts:

- 501 Fuel (Steam)
- 518 Fuel (Nuclear) less ISFSI regulatory amortization
- 547 Fuel (Other Production)
- 555 Purchased Power
- 565 Wheeling (Transmission of Electricity by Others)
- 411 O&M (Margins on the Sale of Emission Allowances)

Additionally, broker fees recorded in FERC account 557 are allowable up to the limit set in Decision No. 6963XXXXX3.

These accounts are subject to change if the Federal Energy Regulatory Commission alters its accounting requirements or definitions.

b. Directly Assignable Power Supply Costs Excluded

Decision No. 66567 provides APS the ability to recover reasonable and prudent costs associated with customers who have left APS standard offer service, including special contract rates, for a competitive generation supplier and then return to standard offer service. For administrative purposes, customers who were direct access customers since origination of service and request standard offer service would be considered to be returning customers. A direct assignment or special adjustment may be applied that recognizes the cost differential between the power purchases needed to accommodate the returning customer and the power supply cost component of the otherwise applicable standard offer service rate. This process is described in the Returning Customer Direct Access Charge rate schedule and associated Plan for Administration filed with the Commission.

In addition, if APS purchases power under specific terms on behalf of a standard offer special contract customer, the costs of that power may be directly assigned. In both cases, where specific power supply costs are identified and directly assigned to a large returning customer or standard offer special contract customer or group of customers, these costs will be excluded from the Adjustor Rate calculations. Schedule E-36 customers are directly assigned power supply costs based on the APS system incremental cost at the time the customer is consuming power from the APS system so their power supply costs are excluded from the PSA.

ARIZONA PUBLIC SERVICE COMPANY

Index to Rate Schedules

CLASSIFICATION OF SERVICES

RESIDENTIAL

	E-12	Standard Rate
FREEZE	ET-1	Time-of-Use – Time Advantage Rate
	ET-2	Time-of-Use – Time Advantage 7PM-NOON
FREEZE	ECT-1R	Time-of-Use with Demand Charge – Combined Advantage Rate
	ECT-2	Time-of-Use with Demand Charge – Combined Advantage 7PM-NOON
NEW	ET-SP	Time-of-Use – Time Advantage Super Peak 7PM-NOON
	<u>Low Income</u>	
NEW	E-12 Low Income	Standard Rate
FREEZE	ET-1 Low Income	Time-of-Use – Time Advantage Rate
NEW	ET-2 Low Income	Time-of-Use – Time Advantage 7PM-NOON
FREEZE	ECT-1R Low Income	Time-of-Use with Demand Charge – Combined Advantage Rate
NEW	ECT-2 Low Income	Time-of-Use with Demand Charge – Combined Advantage 7PM-NOON
	<u>Riders</u>	
UNCHANGED	E-3	Energy Support Program
UNCHANGED	E-4	Medical Care Equipment Support Programs
NEW	CPP-RES	Critical Peak Pricing – Residential

GENERAL SERVICE

	E-30	Extra Small Unmetered
CANCELLED	E-32	General Service – superseded by rate schedules E-32 XS, E-32 S, E-32 M, E-32 L
NEW	E-32 XS	Extra Small General Service (0kW – 20 kW)
NEW	E-32 S	Small General Service (21kW – 100 kW)
NEW	E-32 M	Medium General Service (101kW – 400 kW)
NEW	E-32 L	Large General Service (401kW +)
CANCELLED	E-32TOU	General Service Time-Of-Use – superseded by rate schedules E-32TOU XS, E-32TOU S, E-32TOU M, E-32TOU L
NEW	E-32TOU XS	Time-of-Use – Extra Small General Service (0kW – 20 kW)
NEW	E-32TOU S	Time-of-Use – Small General Service (21kW – 100 kW)
NEW	E-32TOU M	Time-of-Use – Medium General Service (101kW – 400 kW)
NEW	E-32TOU L	Time-of-Use – Large General Service (401kW +)
	E-34	Extra Large General Service
	E-35	Extra Large General Service Time-Of-Use
	<u>Riders</u>	
CANCELLED	E-32R	Partial Requirements
UNCHANGED	E-53	Athletic Stadiums & Sports Fields
	E-54	Seasonal Service
NEW	CPP-GS	Critical Peak Pricing – General Service

ARIZONA PUBLIC SERVICE COMPANY

Index to Rate Schedules

CLASSIFIED

UNFREEZE	E-20	Time-of-Use for Religious Houses of Worship
	E-36	Station Use Service
	E-40	Agricultural Wind Machine Service – FROZEN
	E-47	Dusk to Dawn Lighting Service
CANCELLED	E-51	Optional Electric Service for QF Over 100 kW
CANCELLED	E-55	Partial Requirements Service 3,000 kW or Greater
	E-58	Street Lighting Service
	E-59	Government Owned Street Lighting Systems
	E-67	Municipal Lighting Service - City of Phoenix
UNCHANGED	E-114	Share the Light – Lower Miami & Claypool – FROZEN
UNCHANGED	E-116	Share the Light – Central Heights & Country Club Manor – FROZEN
UNCHANGED	E-145	Share the Light – Ajo Heights – FROZEN
	E-221	Water Pumping Service
	E-221-8T	Water Pumping Service Time-of-Use
UNCHANGED	E-249	Share the Light – Camp Verde – FROZEN
	Riders	
	EPR-2	Purchase Rates for Qualified Facilities 100 kW or Less for Partial Requirements
UNCHANGED	EPR-5	Net Metering Pilot Program
UNCHANGED	EPR-6	Net Metering Program
	E-56	Partial Requirements Service
UNCHANGED	PPR	Preference Power Rider
CANCELLED	SP-1	Solar Partners – FROZEN
UNCHANGED	SC-S	Partial Requirements Standard Contract – Solar
FREEZE	SOLAR-2	Individual Solar Electric Service
	SOLAR-3	Solar Power Pilot Program

ADJUSTMENTS

	CRCC-1	Competition Rules Compliance Charge
	DSMAC-1	Demand Side Management Adjustment Charge
	RES	Renewable Energy Standard
UNCHANGED	SDR	Self Directed Renewable Resources
	PSA-1	Power Supply Adjustment
UNCHANGED	RCDAC-1	Returning Customer Direct Access Charge
	TCA-1	Transmission Cost Adjustment
	EIS	Environmental Improvement Surcharge
	GPS-1	Green Power Block Schedule
	GPS-2	Green Power Percent Schedule
UNCHANGED	GPS-3	Green Power for Events Schedule
CANCELLED	IR-1	Interim Adjustment

ARIZONA PUBLIC SERVICE COMPANY

Index to Rate Schedules

SERVICE SCHEDULES

	SCHEDULE 1	Standard Offer and Direct Access
UNCHANGED	SCHEDULE 2	Energy Purchases from Qualified Cogeneration and Small Power Production Facilities
	SCHEDULE 3	Extensions of Electric Distribution Lines and Services
	SCHEDULE 4	Totalized Metering of Multiple Service Entrance Sections at a Single Site for Standard Offer and Direct Access Service
	SCHEDULE 5	Guidelines for Electric Curtailment
UNCHANGED	SCHEDULE 7	Electric Meter Testing and Maintenance Plan
	SCHEDULE 8	Bill Estimation
	SCHEDULE 10	Direct Access
	SCHEDULE 15	Conditions Governing the Providing of Specialized Metering

Notes:

- (1) Redline and final rate schedules have been provided for all rates, except that redline rate schedules have not been provided for new rates or for rates that are unchanged in this rate case.
- (2) Redline and final service schedules have been provided for the service schedules that have been changed in this rate case.



CLASSIFICATION OF SERVICES

A. RESIDENTIAL SERVICE

1. Residence - Single

Residential service to a single residence covers electric service to a private residence or individually metered apartment unit, only.

Outbuildings on the same premises may be connected to the residential service meter, but only if such outbuildings form a part of the general living establishment.

2. Residence - Multiple

Residential service to two or more residences on the same premises or a residence or residences subdivided into two or more individual housekeeping apartments shall not be supplied through one meter on a Residential Service Rate Schedule.

Individual meters will be installed by the Company for each individual dwelling or housekeeping unit. If, for any reason, a separate meter is not installed for each individual dwelling or housekeeping unit, then the appropriate General Service Rate Schedule will be used for billing for the service supplied through the single meter.

3. Professional Offices or Commercial Activities in Dwellings

The supply of service under a Residential Rate Schedule to a dwelling involving some business or professional activity will be permitted only where such activity is of only occasional occurrence, or where the energy used in connection with such activity is small in amount and used only by equipment which would normally be in use if the space were used as living quarters.

Where the portion of a dwelling is used regularly for business, professional or other gainful purposes, and any considerable amount of electricity is used for other than domestic purposes, or electric equipment not normally used in living quarters is installed in connection with such activities referred to above, the entire premises shall be classified as non-residential and the appropriate General Service Rate Schedule shall be applied. Customer may at his option provide separate circuits so that the residential uses can be metered and billed separately under the appropriate Residential Service Rate Schedule, and the other uses under the appropriate General Service Rate Schedule.

4. Farm and Rural Residences

The Residential Service Rate Schedules are available for electric service through one meter to a farm residence, and the usual farm uses outside the dwelling unit, but not if the use extends to operations such as canning plants, packing plants, stone quarries, ice cream manufacturing plants, stores, restaurants, tea rooms, tourist and trailer camps, gasoline stations, automobile service stations, repair shops, blacksmith shops or any other commercial or non-farming operation.

In no case shall the use extend to the processing, preparing or distributing of products not raised on the same farm and in no cases shall the use extend to a hatchery, dairy, butchery, greenhouse, or any other specialized operation unless such operation is conducted solely by the farmer and is incidental to the usual farm residence uses.



CLASSIFICATION OF SERVICES

A. RESIDENTIAL SERVICE (cont)

Customer may at his option elect to take the entire service under the appropriate General Service Rate Schedule, or may provide separate circuits so that the residential uses, together with the usual farm uses outside the dwelling unit, can be metered and billed separately under the appropriate Residential Service Rate Schedule, and the other uses under the appropriate General Service Rate Schedule.

The Residential Service Rate Schedules are not available for any use outside the dwelling unit on a farm which is not operated by an individual owner or lessee, occupying the farm residence.

B. GENERAL SERVICE

This covers service to any establishment for any purpose not prohibited by the rate schedule or Agreement for Service.

The General Service Rate Schedules are available only when all electric service required on the premises is taken through one meter at one point of delivery, except that:

- (a) General Service Rate Schedules are available for more than one point of delivery on any one premise, provided that in such event, service supplied at each point of delivery will be separately metered and separately billed.
- (b) The General Service Rate Schedules will be available for service to that portion of the Customer's premises which cannot be served at the Residential Service Rate Schedule or a Classified Service Rate Schedule. Service to such portion of the premises shall be considered as service to a separate customer, and all electric service taken therein at the General Service Rate Schedule must be through one meter at one point of delivery.

C. CLASSIFIED SERVICE

Classified service covers service for which specific rate schedules are available, due to the nature and load characteristics of the particular business. For such service, the General Service Rate Schedule may be used, except as specifically prohibited in that schedule, while Classified Rate Schedules are available only to those businesses complying with the specific requirements of the particular schedule.

Service supplied under a Classified Rate Schedule shall be used only for the purposes specified in such rate schedule. In the event the Company questions whether the service is being used in compliance with said rate schedule, the customer shall have the burden of establishing such compliance to the satisfaction of the Company. In the absence of such compliance, the Company may substitute an appropriate General Service Rate Schedule.

A customer conducting mixed operations, a part of which may be served at a Classified Rate Schedule may, at his option, elect to take the entire service under the General Service Rate Schedule or may provide separate circuits so that the classified service can be metered and billed separately at the available classified schedule, and the other uses metered and billed under the available General Service Rate Schedule.



CLASSIFICATION OF SERVICES

C. CLASSIFIED SERVICE (cont)

The Classified Services for which specific rate schedules are available, excluding special street light service, are listed below.

<u>Schedule No.</u>	<u>Classification</u>
E-20***	Time of Use for Religious Houses of Worship
E-36	Station Use Service
E-40*	Agricultural Wind Machine Service
E-47**	Dusk to Dawn Lighting Service
E-56	Partial Requirements Service for On-Site Generation Facilities over 100 kW
E-58**	Street Lighting Service
E-59	Government Owned Street Lighting Systems
E-221	Water Pumping Service
E-221-8T	Water Pumping Service Time of Use
SC-S	Partial Requirement Standard Contract – Solar for Solar/Photovoltaic Generation Equipment over 100 kW
Solar-2*	Individual Solar Electric Service
Solar-3	Solar Power Pilot Program
EPR-2	Purchase Rates for Qualified Facilities under 100 kW for Partial Requirements
EPR-5	Rates for Renewable Resource Facilities of 10 kW or Less for Partial Requirements
EPR-6	Net Metering
PPR	Preference Power Rider

* Frozen Rate.

** Partially Frozen Rate.

*** Frozen Rate as of Dec 31, 2010.

RESIDENTIAL



**RATE SCHEDULE E-12
RESIDENTIAL SERVICE
STANDARD RATE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service, except as stated below, required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter. For those dwellings and apartments where electric service has historically been measured through two meters, when one of the meters was installed pursuant to a water heating or space heating rate schedule no longer in effect, the electric service measured by such meters shall be combined for billing purposes. Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services.

This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services), and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.285 per day

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.09671 per kWh for the first 400 kWh, plus \$0.13739 per kWh for the next 400 kWh, plus \$0.16281 per kWh for the next 2200 kWh, plus \$0.17358 per kWh for all additional kWh	\$0.09397 per kWh

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Basic Service Charge: \$ 0.063 per day



**RATE SCHEDULE E-12
RESIDENTIAL SERVICE
STANDARD RATE**

RATES (cont)

Unbundled Components (cont)

Revenue Cycle Service Charges:

Metering \$ 0.090 per day

Meter Reading \$ 0.062 per day

Billing \$ 0.070 per day

System Benefits Charge: \$ 0.00210 per kWh

Transmission Charge: \$ 0.00520 per kWh

Delivery Charge: \$ 0.03710 per kWh

Generation Charges:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.05231 per kWh for the first 400 kWh, plus \$0.09299 per kWh for the next 400 kWh, plus \$0.11841 per kWh for the next 2200 kWh, plus \$0.12918 per kWh for all additional kWh	\$0.04957 per kWh

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.



**RATE SCHEDULE E-12
RESIDENTIAL SERVICE
STANDARD RATE**

ADJUSTMENTS (cont)

4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



RATE SCHEDULE ET-1
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE RATE

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatthour meter.

Additionally, this rate schedule is applicable only to those customers being served on the Company's Rate Schedule ET-1 prior to January 1, 2010.

This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services), and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.556 per day

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 0.17866 per kWh during On-Peak hours, plus \$ 0.05774 per kWh during Off-Peak hours	\$0.14515 per kWh during On-Peak hours, plus \$0.05565 per kWh during Off-Peak hours

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Basic Service Charge: \$ 0.238 per day



RATE SCHEDULE ET-1
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE RATE

RATES (cont)

Unbundled Components (cont)

Revenue Cycle Service Charges:

Metering \$ 0.186 per day

Meter Reading \$ 0.062 per day

Billing \$ 0.070 per day

System Benefits Charge: \$ 0.00210 per kWh

Transmission Charge: \$ 0.00520 per kWh

Delivery Charge: \$ 0.02796 per kWh

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.14340 per kWh during On-Peak hours, plus \$0.02248 per kWh during Off-Peak hours	\$0.10989 per kWh during On-Peak hours, plus \$0.02039 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

TIME PERIODS

The standard Company On-Peak time period for residential rate schedules is 9 a.m. to 9 p.m. Monday through Friday. All hours not included in the On-Peak time period shall be Off-Peak hours.

Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXXX.



**RATE SCHEDULE ET-1
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE RATE**

ADJUSTMENTS (cont)

3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



RATE SCHEDULE ET-2
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE 7PM-NOON

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatthour meter.

This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services) and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.556 per day

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 0.24445 per kWh during On-Peak hours, plus \$ 0.06126 per kWh during Off-Peak hours	\$0.19825 per kWh during On-Peak hours, plus \$0.06124 per kWh during Off-Peak hours



**RATE SCHEDULE ET-2
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE 7PM-NOON**

RATES (cont)

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Basic Service Charge:	\$ 0.238	per day
Revenue Cycle Service Charges:		
Metering	\$ 0.186	per day
Meter Reading	\$ 0.062	per day
Billing	\$ 0.070	per day
System Benefits Charge:	\$ 0.00210	per kWh
Transmission Charge:	\$ 0.00520	per kWh
Delivery Charge:	\$ 0.02800	per kWh
Generation Charge:		

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.20915 per kWh during On-Peak hours, plus \$0.02596 per kWh during Off-Peak hours	\$0.16295 per kWh during On-Peak hours, plus \$0.02594 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

TIME PERIODS

The On-Peak time period for this rate schedule is 12 noon to 7 p.m. Monday through Friday excluding the holidays listed below. All hours not included in the On-Peak time period shall be Off-Peak hours.

The following holidays are Off-Peak: New Year's Day (January 1), Memorial Day (last Monday in May), Independence Day (July 4), Labor Day (first Monday in September), Thanksgiving Day (fourth Thursday in November), and Christmas (December 25). When any holiday listed above falls on a Saturday, the preceding Friday will be recognized as an off-peak period. When any holiday listed above falls on a Sunday, the following Monday will be recognized as an off-peak period. Mountain Standard Time shall be used in the application of this rate schedule.



**RATE SCHEDULE ET-2
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE 7PM-NOON**

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE ECT-1R
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE RATE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service, except as stated below, required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt/kilowatthour meter.

Additionally, this rate schedule is applicable only to those customers being served on the Company's Rate Schedule ECT-1R prior to January 1, 2010.

This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services), and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$0.556 per day

Demand Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$13.372 per On-Peak kW	\$9.189 per On-Peak kW

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.07434 per kWh during On-Peak hours, plus \$0.04159 per kWh during Off-Peak hours	\$0.05609 per kWh during On-Peak hours, plus \$0.03976 per kWh during Off-Peak hours



RATE SCHEDULE ECT-1R
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE RATE

RATES (cont)

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Basic Service Charge:	\$ 0.238	per day
Revenue Cycle Service Charges:		
Metering	\$ 0.186	per day
Meter Reading	\$ 0.062	per day
Billing	\$ 0.070	per day
System Benefits Charge:	\$ 0.00210	per kWh
Transmission Charge:	\$ 0.00520	per kWh
Delivery Charge:		

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$3.811 per On-Peak kW, plus \$0.01268 per kWh	\$2.086 per On-Peak kW, plus \$0.01556 per kWh

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$9.561 per On-Peak kW, plus \$0.05436 per kWh during On-Peak hours, plus \$0.02161 per kWh during Off-Peak hours	\$7.103 per On-Peak kW, plus \$0.03323 per kWh during On-Peak hours, plus \$0.01690 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

TIME PERIODS

The standard Company On-Peak time period for residential rate schedules is 9 a.m. to 9 p.m. Monday through Friday. All hours not included in the On-Peak time period shall be Off-Peak hours.

Mountain Standard Time shall be used in the application of this rate schedule.



**RATE SCHEDULE ECT-1R
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE RATE**

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 60-minute period of maximum use during On-Peak hours, as determined from readings of the Company's meter.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

**RATE SCHEDULE ECT-2
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE 7PM-NOON**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service, except as stated below, required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt/kilowatthour meter.

This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services) and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.556 per day

Demand Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$13.404 per On-Peak kW	\$9.203 per On-Peak kW

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.08845 per kWh during On-Peak hours, plus \$0.04363 per kWh during Off-Peak hours	\$0.05815 per kWh during On-Peak hours, plus \$0.04273 per kWh during Off-Peak hours



**RATE SCHEDULE ECT-2
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE 7PM-NOON**

RATES (cont)

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Basic Service Charge:	\$ 0.238	per day
Revenue Cycle Service Charges:		
Metering	\$ 0.186	per day
Meter Reading	\$ 0.062	per day
Billing	\$ 0.070	per day
System Benefits Charge:	\$ 0.00210	per kWh
Transmission Charge:	\$ 0.00520	per kWh

Delivery Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$3.817 per On-Peak kW, plus \$0.01270 per kWh	\$2.089 per On-Peak kW, plus \$0.01558 per kWh

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$9.587 per On-Peak kW, plus \$0.06845 per kWh during On-Peak hours, plus \$0.02363 per kWh during Off-Peak hours	\$7.114 per On-Peak kW, plus \$0.03527 per kWh during On-Peak hours, plus \$0.01985 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.



**RATE SCHEDULE ECT-2
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE 7PM-NOON**

TIME PERIODS

The On-Peak time period for this rate schedule is 12 noon to 7 p.m. Monday through Friday excluding the holidays listed below. All hours not included in the On-Peak time period shall be Off-Peak hours.

The following holidays are Off-Peak: New Year's Day (January 1), Memorial Day (last Monday in May), Independence Day (July 4), Labor Day (first Monday in September), Thanksgiving Day (fourth Thursday in November), and Christmas (December 25). When any holiday listed above falls on a Saturday, the preceding Friday will be recognized as an off-peak period. When any holiday listed above falls on a Sunday, the following Monday will be recognized as an off-peak period.

Mountain Standard Time shall be used in the application of this rate schedule.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 60-minute period of maximum use during the customer's On-Peak hours, as determined from readings of the Company's meter.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.



**RATE SCHEDULE ECT-2
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE 7PM-NOON**

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE ET-SP
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE SUPER PEAK 7PM-NOON**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer electric service required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter. This rate requires the customer to have an Advanced Metering Infrastructure meter, or AMI, in place at time of service. A customer may not simultaneously participate in Schedule ET-SP and another demand response rate or program.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatthour meter.

This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services) and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.556 per day

Energy Charge:

June -- August Billing Cycles (Super Peak Summer)
\$0.49445 per kWh during Super-Peak hours, plus \$0.24445 per kWh during On-Peak hours, plus \$0.05254 per kWh during Off-Peak hours

May, September, and October Billing Cycles (Summer)	November -- April Billing Cycles (Winter)
\$0.24445 per kWh during On-Peak hours, plus \$0.05254 per kWh during Off-Peak hours	\$0.19825 per kWh during On-Peak hours, plus \$0.05253 per kWh during Off-Peak hours



**RATE SCHEDULE ET-SP
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE SUPER PEAK 7PM-NOON**

RATES (cont)

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Basic Service Charge:	\$ 0.238	per day
Revenue Cycle Service Charges:		
Metering	\$ 0.186	per day
Meter Reading	\$ 0.062	per day
Billing	\$ 0.070	per day
System Benefits Charge:	\$ 0.00210	per kWh
Transmission Charge:	\$ 0.00520	per kWh
Delivery Charge:	\$ 0.02800	per kWh
Generation Charge:		

June – August Billing Cycles (Super Peak Summer)
\$0.45915 per kWh during Super-Peak hours, plus \$0.20915 per kWh during On-Peak hours, plus \$0.01724 per kWh during Off-Peak hours

May, September, and October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.20915 per kWh during On-Peak hours, plus \$0.01724 per kWh during Off-Peak hours	\$0.16295 per kWh during On-Peak hours, plus \$0.01723 per kWh during Off-Peak hours

TIME PERIODS

The Super-Peak time period is 3 p.m. to 6 p.m. and the On-Peak time period is 12 noon to 3 p.m. and 6 p.m. to 7 p.m., during the Super Peak Summer months Monday through Friday excluding the holidays listed below. The On-Peak time period during Summer and Winter months for this rate schedule is 12 noon to 7 p.m. Monday through Friday excluding the holidays listed below. All hours not included in the Super-Peak or On-Peak time periods shall be Off-Peak hours for all seasons.

The following holidays are Off-Peak: New Year's Day (January 1), Memorial Day (last Monday in May), Independence Day (July 4), Labor Day (first Monday in September), Thanksgiving Day (fourth Thursday in November), and Christmas (December 25). When any holiday listed above falls on a Saturday, the preceding Friday will be recognized as an off-peak period. When any holiday listed above falls on a Sunday, the following Monday will be recognized as an off-peak period. Mountain Standard Time shall be used in the application of this rate schedule.



**RATE SCHEDULE ET-SP
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE SUPER PEAK 7PM-NOON**

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXXX
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

RESIDENTIAL - LOW INCOME



**RATE SCHEDULE E-12, LOW INCOME
RESIDENTIAL SERVICE
STANDARD RATE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service, except as stated below, required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter. For those dwellings and apartments where electric service has historically been measured through two meters, when one of the meters was installed pursuant to a water heating or space heating rate schedule no longer in effect, the electric service measured by such meters shall be combined for billing purposes. Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services.

This schedule is only available for customers that are enrolled in the E-3 Energy Support Program or the E-4 Medical Care Equipment Support Program. This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services), and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.253 per day

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.08570 per kWh for the first 400 kWh, plus \$0.12175 per kWh for the next 400 kWh, plus \$0.14427 per kWh for all additional kWh	\$0.08327 per kWh

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Basic Service Charge: \$ 0.056 per day



**RATE SCHEDULE E-12, LOW INCOME
RESIDENTIAL SERVICE
STANDARD RATE**

RATES (cont)

Unbundled Components (cont)

Revenue Cycle Service Charges:

Metering	\$0.080	per day
Meter Reading	\$0.055	per day
Billing	\$0.062	per day
System Benefits Charge:	\$0.00185	per kWh
Transmission Charge:	\$0.00520	per kWh
Delivery Charge:	\$0.03288	per kWh

Generation Charges:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.04577 per kWh for the first 400 kWh, plus \$0.08182 per kWh for the next 400 kWh, plus \$0.10434 per kWh for all additional kWh	\$0.04334 per kWh

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
3. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
4. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.



**RATE SCHEDULE E-12, LOW INCOME
RESIDENTIAL SERVICE
STANDARD RATE**

ADJUSTMENTS (cont)

6. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE ET-1, LOW INCOME
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE RATE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatthour meter.

Additionally, this rate schedule is applicable only to those customers being served on the Company's Rate Schedule ET-1 prior to January 1, 2010. This schedule is only available for customers that are enrolled in the E-3 Energy Support Program or the E-4 Medical Care Equipment Support Program. This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services), and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.493 per day

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 0.15810 per kWh during On-Peak hours, plus \$ 0.05110 per kWh during Off-Peak hours	\$0.12845 per kWh during On-Peak hours, plus \$0.04925 per kWh during Off-Peak hours

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Basic Service Charge: \$ 0.211 per day



**RATE SCHEDULE ET-1, LOW INCOME
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE RATE**

RATES (cont)

Unbundled Components (cont)

Revenue Cycle Service Charges:

Metering	\$ 0.165	per day
Meter Reading	\$ 0.055	per day
Billing	\$ 0.062	per day
System Benefits Charge:	\$ 0.00185	per kWh
Transmission Charge:	\$ 0.00520	per kWh
Delivery Charge:	\$ 0.02474	per kWh

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.12631 per kWh during On-Peak hours, plus \$0.01931 per kWh during Off-Peak hours	\$0.09666 per kWh during On-Peak hours, plus \$0.01746 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

TIME PERIODS

The standard Company On-Peak time period for residential rate schedules is 9 a.m. to 9 p.m. Monday through Friday. All hours not included in the On-Peak time period shall be Off-Peak hours.

Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
3. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.



**RATE SCHEDULE ET-1, LOW INCOME
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE RATE**

ADJUSTMENTS (cont)

4. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE ET-2, LOW INCOME
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE 7PM-NOON**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatthour meter.

This schedule is only available for customers that are enrolled in the E-3 Energy Support Program or the E-4 Medical Care Equipment Support Program. This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services) and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.493 per day

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 0.21601 per kWh during On-Peak hours, plus \$ 0.05413 per kWh during Off-Peak hours	\$0.17519 per kWh during On-Peak hours, plus \$0.05412 per kWh during Off-Peak hours

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Basic Service Charge: \$ 0.211 per day



**RATE SCHEDULE ET-2, LOW INCOME
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE 7PM-NOON**

RATES (Cont)

Unbundled Components (cont)

Revenue Cycle Service Charges:

Metering \$ 0.165 per day

Meter Reading \$ 0.055 per day

Billing \$ 0.062 per day

System Benefits Charge: \$ 0.00185 per kWh

Transmission Charge: \$ 0.00520 per kWh

Delivery Charge: \$ 0.02474 per kWh

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.18422 per kWh during On-Peak hours, plus \$0.02234 per kWh during Off-Peak hours	\$0.14340 per kWh during On-Peak hours, plus \$0.02233 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

TIME PERIODS

The On-Peak time period for this rate schedule is 12 noon to 7 p.m. Monday through Friday excluding the holidays listed below. All hours not included in the On-Peak time period shall be Off-Peak hours.

The following holidays are Off-Peak: New Year's Day (January 1), Memorial Day (last Monday in May), Independence Day (July 4), Labor Day (first Monday in September), Thanksgiving Day (fourth Thursday in November), and Christmas (December 25). When any holiday listed above falls on a Saturday, the preceding Friday will be recognized as an off-peak period. When any holiday listed above falls on a Sunday, the following Monday will be recognized as an off-peak period. Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.



**RATE SCHEDULE ET-2, LOW INCOME
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE 7PM-NOON**

ADJUSTMENTS (Cont)

3. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
4. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE ECT-1R, LOW INCOME
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE RATE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service, except as stated below, required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt/kilowatthour meter.

Additionally, this rate schedule is applicable only to those customers being served on the Company's Rate Schedule ECT-1R prior to January 1, 2010. This schedule is only available for customers that are enrolled in the E-3 Energy Support Program or the E-4 Medical Care Equipment Support Program. This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services), and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: 0.493 per day

Demand Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$11.860 per On-Peak kW	\$ 8.150 per On-Peak kW

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 0.06593 per kWh during On-Peak hours, plus \$ 0.03689 per kWh during Off-Peak hours	\$ 0.04975 per kWh during On-Peak hours, plus \$ 0.03526 per kWh during Off-Peak hours



**RATE SCHEDULE ECT-1R, LOW INCOME
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE RATE**

RATES (cont)

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Basic Service Charge:	\$ 0.208	per day
Revenue Cycle Service Charges:		
Metering	\$ 0.168	per day
Meter Reading	\$ 0.055	per day
Billing	\$ 0.062	per day
System Benefits Charge:	\$ 0.00185	per kWh
Transmission Charge:	\$ 0.00520	per kWh

Delivery Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 3.380 per On-Peak kW, plus \$0.01125 per kWh	\$ 1.850 per On-Peak kW, plus \$0.01380 per kWh

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$8.480 per On-Peak kW, plus \$0.04763 per kWh during On-Peak hours, plus \$0.01859 per kWh during Off-Peak hours	\$6.300 per On-Peak kW, plus \$0.02890 per kWh during On-Peak hours, plus \$0.01441 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

TIME PERIODS

The standard Company On-Peak time period for residential rate schedules is 9 a.m. to 9 p.m. Monday through Friday. All hours not included in the On-Peak time period shall be Off-Peak hours.

Mountain Standard Time shall be used in the application of this rate schedule.



**RATE SCHEDULE ECT-1R, LOW INCOME
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE RATE**

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 60-minute period of maximum use during On-Peak hours, as determined from readings of the Company's meter.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70213.
2. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
3. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
4. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE ECT-2, LOW INCOME
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE 7PM-NOON**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service, except as stated below, required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt/kilowatthour meter.

This schedule is only available for customers that are enrolled in the E-3 Energy Support Program or the E-4 Medical Care Equipment Support Program. This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services) and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.493 per day

Bundled Standard Offer Service (cont)

Demand Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$11.870 per On-Peak kW	\$8.150 per On-Peak kW

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.07833 per kWh during On-Peak hours, plus \$0.03864 per kWh during Off-Peak hours	\$0.05150 per kWh during On-Peak hours, plus \$0.03784 per kWh during Off-Peak hours



**RATE SCHEDULE ECT-2, LOW INCOME
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE 7PM-NOON**

RATES (cont)

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Basic Service Charge: \$ 0.208 per day

Revenue Cycle Service Charges:

Metering \$ 0.168 per day

Meter Reading \$ 0.055 per day

Billing \$ 0.062 per day

System Benefits Charge: \$ 0.00185 per kWh

Transmission Charge: \$ 0.00520 per kWh

Delivery Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$3.380 per On-Peak kW, plus \$0.01125 per kWh	\$1.850 per On-Peak kW, plus \$0.01380 per kWh

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$8.490 per On-Peak kW, plus \$0.06003 per kWh during On-Peak hours, plus \$0.02034 per kWh during Off-Peak hours	\$6.300 per On-Peak kW, plus \$0.03065 per kWh during On-Peak hours, plus \$0.01699 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

TIME PERIODS

The On-Peak time period for this rate schedule is 12 noon to 7 p.m. Monday through Friday excluding the holidays listed below. All hours not included in the On-Peak time period shall be Off-Peak hours.



**RATE SCHEDULE ECT-2, LOW INCOME
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE 7PM-NOON**

TIME PERIODS (Cont)

The following holidays are Off-Peak: New Year's Day (January 1), Memorial Day (last Monday in May), Independence Day (July 4), Labor Day (first Monday in September), Thanksgiving Day (fourth Thursday in November), and Christmas (December 25). When any holiday listed above falls on a Saturday, the preceding Friday will be recognized as an off-peak period. When any holiday listed above falls on a Sunday, the following Monday will be recognized as an off-peak period.

Mountain Standard Time shall be used in the application of this rate schedule.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 60-minute period of maximum use during the customer's On-Peak hours, as determined from readings of the Company's meter.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
3. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
4. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

RESIDENTIAL - RIDERS



**RATE SCHEDULE E-3
RESIDENTIAL SERVICE
ENERGY SUPPORT PROGRAM**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served. Customers may not receive discounts under this schedule and Rate Schedule E-4 Medical Support Care Program concurrently.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service billed under Residential Rate Schedules, where the customer has qualified for this rate as specified in the Company's Plan for Administration of the Residential Energy Support Program pursuant to Arizona Corporation Commission Decision Nos. 55931, 56680 and 69663. All provisions of the applicable Residential Rate Schedule will apply except as modified herein.

RATES

The customer's bill shall be in accordance with the applicable specified schedule with the following exceptions:

The Total Bill as calculated according to the
applicable Residential Rate Schedule (before Taxes,
Regulatory Assessments and Franchise Fees)

A. For Bills with Usage of:

Will be Discounted by:

0 - 400 kWh	40%
401 - 800 kWh	26%
801 - 1200 kWh	14%
1201-kWh and above	\$13.00

B. Adjustment Schedule PSA-1 will not apply to customers served under this rate schedule.

C. Adjustment Schedule DSMAC-1 will not apply to customers served under this rate schedule.



RATE SCHEDULE E-4
RESIDENTIAL SERVICE
MEDICAL CARE EQUIPMENT SUPPORT PROGRAM

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served. Customers may not receive discounts under this schedule and Rate Schedule E-3 Energy Support Program concurrently.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service billed under Residential Rate Schedules, where the customer has qualified for this rate as specified in the Company's Plan for Administration of the Medical Care Equipment Program pursuant to Arizona Corporation Commission Decision Nos. 59222 and 69663. All provisions of the applicable Residential Rate Schedule will apply except as modified herein.

RATES

The customer's bill shall be in accordance with the applicable specified schedule with the following exceptions:

The Total Bill as calculated according to the
applicable Residential Rate Schedule (before Taxes,
Regulatory Assessments and Franchise Fees)
Will be Discounted by:

A. For Bills with Usage of:

0 - 800 kWh	40%
801 - 1400 kWh	26%
1401 - 2000 kWh	14%
2001 - kWh and above	\$26.00

B. Adjustment Schedule PSA-1 will not apply to customers served under this rate schedule.

C. Adjustment Schedule DSMAC-1 will not apply to customers served under this rate schedule.



RATE SCHEDULE CPP-RES CRITICAL PEAK PRICING – RESIDENTIAL

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

The Rate Schedule CPP-RES is available to residential retail Standard Offer customers. This rate requires the customer to have an Advanced Metering Infrastructure meter, or AMI, in place at time of service. All provisions of the customer's otherwise applicable rate schedule will apply in addition to the charges in Schedule CPP-RES. Schedule CPP-RES is available for a period of two years from the initial availability.

A customer may not simultaneously participate in Schedule CPP-RES and another demand response rate or program, including Schedule ET-SP. A customer may participate in Schedule CPP-RES and a net metering rate schedule, subject to meter availability. However, any customer generation in excess of load during a CPP Event will be netted according to the customer's otherwise applicable rate schedule and will not be netted against usage during a subsequent CPP Event.

RATES

A. Critical Peak Price \$0.40000 per kWh
Critical Peak Price applies to kWh usage during a CPP Event.

B. Energy Discount
All residential customers \$(0.01891) per kWh

Energy Discount applies to Customer's total monthly kWh in the months of June through September.

CONDITIONS

- A. CPP Events: CPP Events may be invoked by the Company for the period 2 p.m. to 7 p.m., weekdays (Monday through Friday) during June through September. Holidays are excluded, which include Independence Day (July 4th) and Labor Day (first Monday in September). A CPP Event can be triggered by severe weather, high load, high wholesale prices, or a major generation or transmission outage, as determined by the Company.
- B. Number and Duration of CPP Events: The Company will invoke a minimum of 6 and a maximum of 18 CPP Events per calendar year, for 5 hours per event and 90 hours per year.
- C. CPP Event Notification/Communication: Customers shall be notified of a CPP Event in advance by 4:00 PM the day prior through a phone message, e-mail, or text message. Receipt of such notice is the responsibility of the participating customer.
- D. CPP Event Cancellation: Once a CPP event alert has been initiated, there are no conditions that would warrant the critical event to be cancelled.

GENERAL SERVICE



**RATE SCHEDULE E-30
GENERAL SERVICE
EXTRA SMALL UNMETERED**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service required where demand and energy requirements are constant, subject to the limitations set forth in the Special Provisions of this schedule. Billing quantities must be subject to accurate determination without the use of metering equipment, and service must be supplied at a single point of delivery.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 volts). The cost of service extension shall include transformation equipment, if required.

RATES

The bill shall be computed at the following rates, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.311 per day

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.14447 per kWh	\$0.12967 per kWh

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Basic Service Charge: \$ 0.243 per day

Revenue Cycle Service Charges:
Billing: \$ 0.068 per day

System Benefits Charge: \$ 0.00210 per kWh

Transmission Charge: \$ 0.00424 per kWh

Delivery Charge: \$ 0.05061 per kWh



**RATE SCHEDULE E-30
GENERAL SERVICE
EXTRA SMALL UNMETERED**

RATES (cont)

Unbundled Components (cont)

Generation Charge:

May - October Billing Cycles (Summer)	November - April Billing Cycles (Winter)
\$0.08752 per kWh	\$0.07272 per kWh

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.



**RATE SCHEDULE E-30
GENERAL SERVICE
EXTRA SMALL UNMETERED**

SPECIAL PROVISIONS

1. Electric services being served on the Company's Rate Schedule E-30 prior to April 1, 2005 will continue to be served under this rate schedule; however, services eligible for this rate schedule after that date must meet the demand and energy requirements set forth in the following Special Provisions.
2. This rate schedule is applicable only to loads where monthly demand (kW) and energy (kWh) requirements remain constant. Monthly demand and energy requirements may not exceed 1.44 kW (12 amperes) or 1,095 kWh at 120 volts, or 2.9 kW (12 amperes) or 2,117 kWh at 240 volts, for each delivery point. Determination of fixed monthly energy usage will be based on an average 730 hour month.
3. Prior written approval by an authorized Company representative is required before service is implemented under this rate schedule.
4. Prior written approval by an authorized Company representative is required for any change in loads. An unauthorized load change will automatically disqualify that customer from service under this rate schedule.
5. The Company shall have the right to inspect the customer's load facilities at any time to ensure compliance with all provisions of this rate schedule.

CONTRACT PERIOD

Any applicable contract period will be set forth in the Company's standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



RATE SCHEDULE E-32
GENERAL SERVICE

This rate is canceled effective January 1, 2010 and superseded by E-32 XS, E-32 S, E-32 M, E-32 L per A.C.C.
Decision No. XXXXX.



RATE SCHEDULE E-32 XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose Average Monthly Maximum Demand is 20 kW per month or less.

The Company initially will place the Customer on the applicable Rate Schedule E-32 XS, E-32 S, E-32 M, or E-32 L based on the Average Monthly Maximum Demand, as determined by the Company.

The Customer will be billed on Schedule E-32 S or E-32 XS depending on the Monthly Maximum Demand for each billing cycle.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP. Service under this schedule is generally provided at secondary voltage or primary voltage when the customer owns the distribution transformer(s).

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 0.672	per day, or
For service through Instrument-Rated Meters:	\$ 1.324	per day, or
For service at Primary Voltage:	\$ 3.415	per day



RATE SCHEDULE E-32 XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)

RATES (cont)

Bundled Standard Offer Service (cont)

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
For Secondary Service: \$0.13261 per kWh for the first 5,000 kWh, plus \$0.07251 per kWh for all additional kWh, or	For Secondary Service: \$0.11512 per kWh for the first 5,000 kWh, plus \$0.05501 per kWh for all additional kWh, or
For Primary Service: \$0.12939 per kWh for the first 5,000 kWh, plus \$0.06929 per kWh for all additional kWh	For Primary Service: \$0.11189 per kWh for the first 5,000 kWh, plus \$0.05179 per kWh for all additional kWh

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

Basic Service Charge:	\$ 0.126	per day
Revenue Cycle Service Charges:		
Metering:		
Self-Contained Meters:	\$ 0.403	per day, or
Instrument-Rated Meters:	\$ 1.055	per day, or
Primary:	\$ 3.146	per day

These daily metering charges apply to typical installations. Customers requiring specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

Meter Reading:	\$ 0.068	per day
Billing:	\$ 0.075	per day
System Benefits Charge:	\$ 0.00210	per kWh
Transmission Charge:	\$ 0.00424	per kWh



RATE SCHEDULE E-32 XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)

RATES (cont)

Unbundled Standard Offer Service (cont)

Delivery Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
For Secondary Service: \$0.04086 per kWh for the first 5,000 kWh, plus \$0.01284 per kWh for all additional kWh, or	For Secondary Service: \$0.04078 per kWh for the first 5,000 kWh, plus \$0.01275 per kWh for all additional kWh, or
For Primary Service: \$0.03764 per kWh for the first 5,000 kWh, plus \$0.00962 per kWh for all additional kWh	For Primary Service: \$0.03755 per kWh for the first 5,000 kWh, plus \$0.00953 per kWh for all additional kWh

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.08541 per kWh for the first 5,000 kWh, plus \$0.05333 per kWh for all additional kWh	\$0.06800 per kWh for the first 5,000 kWh, plus \$0.03592 per kWh for all additional kWh

DIRECT ACCESS

The bill for Direct Access customers under this rate schedule will consist of the applicable Unbundled Components Basic Service Charge, System Benefits Charge, and Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

MINIMUM

The bill for Standard Offer and Direct Access customers will not be less than the applicable Bundled Standard Offer Service Basic Service charge.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment. Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.



RATE SCHEDULE E-32 XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)

DETERMINATION OF KW

For billing purposes, including determination of Monthly Maximum Demands, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the month as determined from readings of the Company's meter.

The Average Monthly Maximum Demand shall equal the average of the Monthly Maximum Demands for the May through October billing cycles, as determined by the Company. If the Monthly Maximum Demands are not available for all six May through October billing cycles, the Average Monthly Maximum Demand will be based on the available information. For a new customer, the initial Average Monthly Maximum Demand will be based on the estimated maximum kW provided by the Customer and approved by the Company.

ADJUSTMENTS

- 1 The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
- 2 The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXXX.
- 3 The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 4 The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
- 5 The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 6 Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 7 The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXXX.
- 8 The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.



RATE SCHEDULE E-32 XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)

CONTRACT PERIOD

For customers with monthly maximum demands up to 20 kW, any applicable contract period will be set forth in the Company's standard agreement for service. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer or, if no additional distribution construction is required, the contract period will be one (1) year or longer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



RATE SCHEDULE E-32 S
SMALL GENERAL SERVICE (21 kW – 100 kW)

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose Average Monthly Maximum Demand is greater than 20 kW and less than or equal to 100 kW per month.

The Company will place the Customer on the Applicable Rate Schedule E-32 XS, E-32 S, E-32 M, or E-32 L based on the Average Monthly Maximum Demand, as determined by the Company each year. Such placement will occur in the February billing cycle following the annual determination. The Company may also place the Customer on the Applicable Rate Schedule during the year, if the Customer has experienced a significant and permanent change in load as determined by the Company. Such placement will be based on available information.

The Customer will be billed on Schedule E-32 S or E-32 XS depending on the Monthly Maximum Demand for each billing cycle.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services. This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP. Service under this schedule is generally provided at secondary voltage or primary voltage when the customer owns the distribution transformer(s).

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 0.672	per day, or
For service through Instrument-Rated Meters:	\$ 1.324	per day, or
For service at Primary Voltage:	\$ 3.415	per day



RATE SCHEDULE E-32 S
SMALL GENERAL SERVICE (21 kW – 100 kW)

RATES (cont)

Bundled Standard Offer Service (cont)

Demand Charge:

Secondary Service:	\$ 9.675	per kW for the first 100 kW, plus
	\$ 5.146	per kW for all additional kW, or
Primary Service:	\$ 8.976	per kW for the first 100 kW, plus
	\$ 4.448	per kW for all additional kW, or

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.10403 per kWh for the first 200 kWh per kW, plus \$0.06083 per kWh for all additional kWh	\$0.08689 per kWh for the first 200 kWh per kW, plus \$0.04369 per kWh for all additional kWh

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

Basic Service Charge:	\$ 0.126	per day
Revenue Cycle Service Charges:		
Metering:		
Self-Contained Meters:	\$ 0.403	per day, or
Instrument-Rated Meters:	\$ 1.055	per day, or
Primary:	\$ 3.146	per day

These daily metering charges apply to typical installations. Customers requiring specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

Meter Reading:	\$ 0.068	per day
Billing:	\$ 0.075	per day
System Benefits Charge:	\$ 0.00210	per kWh
Transmission Charge:	\$ 1.585	per kW
Delivery Charge:		
Secondary Service:	\$ 8.090	per kW for the first 100 kW, plus
	\$ 3.561	per kW for all additional kW, plus
	\$ 0.00011	per kWh, or



RATE SCHEDULE E-32 S
SMALL GENERAL SERVICE (21 kW – 100 kW)

RATES (cont)

Unbundled Standard Offer Service (cont)

Primary Service:	\$ 7.391	per kW for the first 100 kW, plus
	\$ 2.863	per kW for all additional kW, plus
	\$ 0.00011	per kWh

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.10182 per kWh for the first 200 kWh per kW, plus \$0.05862 per kWh for all additional kWh	\$0.08468 per kWh for the first 200 kWh per kW, plus \$0.04148 per kWh for all additional kWh

DIRECT ACCESS

The bill for Direct Access customers under this rate schedule will consist of the applicable Unbundled Components Basic Service Charge, System Benefits Charge, and Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

MINIMUM

The bill for Standard Offer and Direct Access customers will not be less than the applicable Bundled Standard Offer Service Basic Service charge plus \$2.180 for each kW of either: (1) the highest kW established during the twelve (12) months ending with the current month; or (2) the minimum kW specified in an agreement for service, whichever is the greater.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.



RATE SCHEDULE E-32 S
SMALL GENERAL SERVICE (21 kW – 100 kW)

DETERMINATION OF KW

For billing purposes, including determination of Monthly Maximum Demands, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the month as determined from readings of the Company's meter.

The Average Monthly Maximum Demand shall equal the average of the Monthly Maximum Demands for the May through October billing cycles, as determined by the Company. If the Monthly Maximum Demands are not available for all six May through October billing cycles, the Average Monthly Maximum Demand will be based on the available information. For a new customer, the initial Average Monthly Maximum Demand will be based on the estimated maximum kW provided by the Customer and approved by the Company.

ADJUSTMENTS

- 1 The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
- 2 The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXXX.
- 3 The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 4 The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
- 5 The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 6 Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 7 The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXXX.
- 8 The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.



RATE SCHEDULE E-32 S
SMALL GENERAL SERVICE (21 kW – 100 kW)

CONTRACT PERIOD

For customers with monthly maximum demands greater than 20 and less than or equal to 100 kW, any applicable contract period will be set forth in the Company's standard agreement for service. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer or, if no additional distribution construction is required, the contract period will be one (1) year or longer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



RATE SCHEDULE E-32 M
MEDIUM GENERAL SERVICE (101 kW - 400 kW)

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose Average Monthly Maximum Demand is greater than 100 kW and less than or equal to 400 kW per month.

The Company will place the Customer on the Applicable Rate Schedule E-32 XS, E-32 S, E-32 M, or E-32 L based on the Average Monthly Maximum Demand, as determined by the Company each year. Such placement will occur in the February billing cycle following the annual determination. The Company may also place the Customer on the Applicable Rate Schedule during the year, if the Customer has experienced a significant and permanent change in load as determined by the Company. Such placement will be based on available information.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services. This schedule is not applicable to breakdown, standby, supplemental, residential or resale service nor to service for which Rate Schedule E-34 is applicable.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP. Service under this schedule is generally provided at secondary voltage, primary voltage when the customer owns the distribution transformer(s), or transmission voltage.

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 0.672	per day, or
For service through Instrument-Rated Meters:	\$ 1.324	per day, or
For service at Primary Voltage:	\$ 3.415	per day, or
For service at Transmission Voltage:	\$ 26.163	per day



RATE SCHEDULE E-32 M
MEDIUM GENERAL SERVICE (101 kW - 400 kW)

RATES (cont)

Bundled Standard Offer Service (cont)

Demand Charge:

Secondary Service:	\$ 9.597	per kW for the first 100 kW, plus
	\$ 5.105	per kW for all additional kW, or
Primary Service:	\$ 8.905	per kW for the first 100 kW, plus
	\$ 4.412	per kW for all additional kW, or
Transmission Service:	\$ 6.942	per kW for the first 100 kW, plus
	\$ 2.450	per kW for all additional kW

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.10320 per kWh for the first 200 kWh per kW, plus \$0.06034 per kWh for all additional kWh	\$0.08619 per kWh for the first 200 kWh per kW, plus \$0.04334 per kWh for all additional kWh

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

Basic Service Charge:	\$ 0.126	per day
Revenue Cycle Service Charges:		
Metering:		
Self-Contained Meters:	\$ 0.403	per day, or
Instrument-Rated Meters:	\$ 1.055	per day, or
Primary:	\$ 3.146	per day, or
Transmission:	\$ 25.894	per day

These daily metering charges apply to typical installations. Customers requiring specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 Kv). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

Meter Reading:	\$ 0.068	per day
Billing:	\$ 0.075	per day
System Benefits Charge:	\$ 0.00210	per kWh
Transmission Charge:	\$ 1.585	per kW



RATE SCHEDULE E-32 M
MEDIUM GENERAL SERVICE (101 kW - 400 kW)

RATES (cont)

Unbundled Standard Offer Service (cont)

Delivery Charge:		
Secondary Service:	\$ 8.012	per kW for the first 100 kW, plus
	\$ 3.520	per kW for all additional kW, plus
	\$ 0.00011	per kWh, or
Primary Service:	\$ 7.320	per kW for the first 100 kW, plus
	\$ 2.827	per kW for all additional kW, plus
	\$ 0.00011	per kWh, or
Transmission Service:	\$ 5.357	per kW for the first 100 kW, plus
	\$ 0.865	per kW for all additional kW, plus
	\$ 0.00011	per kWh
Generation Charge:		

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.10099 per kWh for the first 200 kWh per kW, plus \$0.05813 per kWh for all additional kWh	\$0.08398 per kWh for the first 200 kWh per kW, plus \$0.04113 per kWh for all additional kWh

DIRECT ACCESS

The bill for Direct Access customers under this rate schedule will consist of the applicable Unbundled Components Basic Service Charge, System Benefits Charge, and Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

MINIMUM

The bill for Standard Offer and Direct Access customers will not be less than the applicable Bundled Standard Offer Service Basic Service charge plus \$2.162 for each kW of either: (1) the highest kW established during the twelve (12) months ending with the current month; or (2) the minimum kW specified in an agreement for service, whichever is the greater.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment. Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load.



RATE SCHEDULE E-32 M
MEDIUM GENERAL SERVICE (101 kW - 400 kW)

POWER FACTOR (cont)

Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, including determination of Monthly Maximum Demands, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the month as determined from readings of the Company's meter.

The Average Monthly Maximum Demand shall equal the average of the Monthly Maximum Demands for the May through October billing cycles, as determined by the Company. If the Monthly Maximum Demands are not available for all six May through October billing cycles, the Average Monthly Maximum Demand will be based on the available information. For a new customer, the initial Average Monthly Maximum Demand will be based on the estimated maximum kW provided by the Customer and approved by the Company.

ADJUSTMENTS

- 1 The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
- 2 The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXXX.
- 3 The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 4 The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
- 5 The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 6 Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 7 The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXXX.
- 8 The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.



RATE SCHEDULE E-32 M
MEDIUM GENERAL SERVICE (101 kW - 400 kW)

CONTRACT PERIOD

For customers with monthly maximum demands greater than 100 and less than or equal to 400 kW, any applicable contract period will be set forth in the Company's standard agreement for service. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer or, if no additional distribution construction is required, the contract period will be one (1) year or longer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



RATE SCHEDULE E-32 L
LARGE GENERAL SERVICE (401 kW +)

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose Average Monthly Maximum Demand is greater than 400 kW per month.

The Company will place the Customer on the applicable Rate Schedule E-32 XS, E-32 S, E-32 M, or E-32 L based on the Average Monthly Maximum Demand, as determined by the Company each year. Such placement will occur in the February billing cycle following the annual determination. The Company may also place the Customer on the Applicable Rate Schedule during the year, if the Customer has experienced a significant and permanent change in load as determined by the Company. Such placement will be based on available information.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service nor to service for which Rate Schedule E-34 is applicable.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP. Service under this schedule is generally provided at secondary voltage, primary voltage when the customer owns the distribution transformer(s), or transmission voltage.

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 1.068	per day, or
For service through Instrument-Rated Meters:	\$ 1.627	per day, or
For service at Primary Voltage:	\$ 3.419	per day, or
For service at Transmission Voltage:	\$ 22.915	per day



RATE SCHEDULE E-32 L
LARGE GENERAL SERVICE (401 kW +)

RATES (cont)

Bundled Standard Offer Service (cont)

Demand Charge:

Secondary Service:	\$ 9.384	per kW for the first 100 kW, plus
	\$ 4.993	per kW for all additional kW, or
Primary Service:	\$ 8.703	per kW for the first 100 kW, plus
	\$ 4.315	per kW for all additional kW, or
Transmission Service:	\$ 6.788	per kW for the first 100 kW, plus
	\$ 2.396	per kW for all additional kW.

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.10093 per kWh for the first 200 kWh per kW, plus \$0.05902 per kWh for all additional kWh	\$0.08430 per kWh for the first 200 kWh per kW, plus \$0.04239 per kWh for all additional kWh

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

Basic Service Charge:	\$ 0.601	per day
Revenue Cycle Service Charges:		
Metering:		
Self-Contained Meters:	\$ 0.345	per day, or
Instrument-Rated Meters:	\$ 0.904	per day, or
Primary:	\$ 2.696	per day, or
Transmission:	\$ 22.192	per day

These daily metering charges apply to typical installations. Customers requiring specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

Meter Reading:	\$ 0.058	per day
Billing:	\$ 0.064	per day
System Benefits Charge:	\$ 0.00210	per kWh
Transmission Charge:	\$ 1.585	per kW



RATE SCHEDULE E-32 L
LARGE GENERAL SERVICE (401 kW +)

RATES (cont)

Unbundled Standard Offer Service (cont)

Delivery Charge:

Secondary Service:	\$ 7.799	per kW for the first 100 kW, plus
	\$ 3.408	per kW for all additional kW, plus
	\$ 0.00011	per kWh, or
Primary Service:	\$ 7.118	per kW for the first 100 kW, plus
	\$ 2.730	per kW for all additional kW, plus
	\$ 0.00011	per kWh, or
Transmission Service:	\$ 5.203	per kW for the first 100 kW, plus
	\$ 0.811	per kW for all additional kW, plus
	\$ 0.00011	per kWh

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.09872 per kWh for the first 200 kWh per kW, plus \$0.05681 per kWh for all additional kWh	\$0.08209 per kWh for the first 200 kWh per kW, plus \$0.04018 per kWh for all additional kWh

DIRECT ACCESS

The bill for Direct Access customers under this rate schedule will consist of the applicable Unbundled Components Basic Service Charge, System Benefits Charge, and Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

MINIMUM

The bill for Standard Offer and Direct Access customers will not be less than the applicable Bundled Standard Offer Service Basic Service charge plus \$2.115 for each kW of either: (1) the highest kW established during the twelve (12) months ending with the current month; or (2) the minimum kW specified in an agreement for service, whichever is the greater.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.



**RATE SCHEDULE E-32 L
LARGE GENERAL SERVICE (401 kW +)**

POWER FACTOR (cont)

Customers found to have a non-conforming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, including determination of Monthly Maximum Demands, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the month as determined from readings of the Company's meter.

The Average Monthly Maximum Demand shall equal the average of the Monthly Maximum Demands for the May through October billing cycles, as determined by the Company. If the Monthly Maximum Demands are not available for all six May through October billing cycles, the Average Monthly Maximum Demand will be based on the available information. For a new customer, the initial Average Monthly Maximum Demand will be based on the estimated maximum kW provided by the Customer and approved by the Company.

ADJUSTMENTS

- 1 The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
- 2 The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXXX.
- 3 The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 4 The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
- 5 The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 6 Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 7 The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXXX.
- 8 The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.



RATE SCHEDULE E-32 L
LARGE GENERAL SERVICE (401 kW +)

CONTRACT PERIOD

For customers with monthly maximum demands greater than 400 kW, any applicable contract period will be set forth in the Company's standard agreement for service. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer or, if no additional distribution construction is required, the contract period will be one (1) year or longer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-32TOU
GENERAL SERVICE
TIME OF USE**

This rate is canceled effective January 1, 2010 and superseded by E-32TOU XS, E-32TOU M, E-32TOU L per
A.C.C. Decision No. XXXXX



RATE SCHEDULE E-32TOU XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)
TIME OF USE

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose Average Monthly Maximum Demand is 20 kW per month or less.

The Company will initially place the Customer on the applicable Rate Schedule E-32TOU XS, E-32TOU S, E-32TOU M, or E-32TOU L based on the Average Monthly Maximum Demand, as determined by the Company.

The Customer will be billed on Schedule E-32TOU S or E-32TOU XS depending on the On-peak Monthly Maximum Demand for each billing cycle.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt/kilowatt-hour meter.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP.

Service under this schedule is generally provided at secondary voltage or primary voltage when the customer owns the distribution transformer(s).

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Basic Service Charge:

For service through Self-Contained Meters	\$ 0.710	per day, or
For service through Instrument-Rated Meters:	\$ 1.324	per day, or
For service at Primary Voltage:	\$ 3.415	per day



RATE SCHEDULE E-32TOU XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)
TIME OF USE

RATES (cont)

Bundled Standard Offer Service

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
<u>For Secondary Service:</u> \$ 0.16831 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.08318 per kWh for all additional On-Peak kWh, plus \$ 0.12438 per kWh for the first 5,000 Off-Peak kWh, plus \$ 0.04459 per kWh for all additional Off-Peak kWh, or	<u>For Secondary Service:</u> \$ 0.15082 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.06565 per kWh for all additional On-Peak kWh, plus \$ 0.10686 per kWh for the first 5,000 Off-Peak kWh, plus \$ 0.03181 per kWh for all additional Off-Peak kWh, or
<u>For Primary Service:</u> \$ 0.16498 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.07907 per kWh for all additional On-Peak kWh, plus \$ 0.12105 per kWh for the first 5,000 Off-Peak kWh, plus \$ 0.04126 per kWh for all additional Off-Peak kWh	<u>For Primary Service:</u> \$ 0.14749 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.06154 per kWh for all additional On-Peak kWh, plus \$ 0.10353 per kWh for the first 5,000 Off-Peak kWh, plus \$ 0.02848 per kWh for all additional Off-Peak kWh

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

Basic Service Charge:	\$ 0.126	per day
Revenue Cycle Service Charges:		
Metering:		
Self-Contained Meters:	\$ 0.441	per day, or
Instrument-Rated Meters:	\$ 1.055	per day, or
Primary:	\$ 3.146	per day

These daily metering charges apply to typical installations. Customers requesting specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

Meter Reading:	\$ 0.068	per day
Billing:	\$ 0.075	per day
System Benefits Charge:	\$ 0.00210	per kWh
Transmission Charge:	\$ 0.00424	per kWh



RATE SCHEDULE E-32TOU XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)
TIME OF USE

RATES (cont)

Unbundled Standard Offer Service (cont)

Delivery Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
For Secondary Service: \$ 0.05028 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.01306 per kWh for all additional On-Peak kWh, plus \$ 0.04143 per kWh for the first 5,000 Off-Peak kWh plus \$ 0.00955 per kWh for all additional Off-Peak kWh, or	For Secondary Service: \$ 0.05020 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.01295 per kWh for all additional On-Peak kWh, plus \$ 0.04134 per kWh for the first 5,000 Off-Peak kWh plus \$ 0.00947 per kWh for all additional Off-Peak kWh, or
For Primary Service: \$ 0.04695 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.00895 per kWh for all additional On-Peak kWh, plus \$ 0.03810 per kWh for the first 5,000 Off-Peak kWh plus \$ 0.00622 per kWh for all additional Off-Peak kWh	For Primary Service: \$ 0.04687 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.00884 per kWh for all additional On-Peak kWh, plus \$ 0.03801 per kWh for the first 5,000 Off-Peak kWh plus \$ 0.00614 per kWh for all additional Off-Peak kWh

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 0.11169 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.06378 per kWh for all additional On-Peak kWh, plus \$ 0.07661 per kWh for the first 5,000 Off-Peak kWh, plus \$ 0.02870 per kWh for all additional Off-Peak kWh	\$ 0.09428 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.04636 per kWh for all additional On-Peak kWh, plus \$ 0.05918 per kWh for the first 5,000 Off-Peak kWh, plus \$ 0.01600 per kWh for all additional Off-Peak kWh

DIRECT ACCESS

The bill for Direct Access customers under this rate schedule will consist of the applicable Unbundled Components Basic Service Charge, System Benefits Charge, and Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

MINIMUM

The bill for Standard Offer and Direct Access customers will not be less than the applicable Bundled Standard Offer Service Basic Service Charge.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading



RATE SCHEDULE E-32TOU XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)
TIME OF USE

POWER FACTOR (cont)

unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the On-Peak and Off-Peak periods during the billing period, as determined from readings of the Company's meter.

Monthly Maximum Demand will be based on the highest average kW supplied during the 15-minute period during either the On-Peak or Off-Peak hours of the billing period, as determined from readings of the Company's meter.

On-peak Monthly Maximum Demand will be based on the highest average kW supplied during the 15-minute period during the On-peak hours of the billing period, as determined from readings of the Company's meter.

The Average Monthly Maximum Demand shall equal the average of the On-peak Monthly Maximum Demands for the May through October billing cycles, as determined by the Company. If the On-peak Monthly Maximum Demands are not available for all six May through October billing cycles, the Average Monthly Maximum Demand will be based on the available information. For a new customer, the initial Average Monthly Maximum Demand will be based on the estimated maximum On-peak kW provided by the Customer and approved by the Company.

TIME PERIODS

Time periods applicable to usage under this rate schedule are as follows:

On-Peak hours:	11:00 am – 9:00 pm Monday through Friday
Off-Peak hours:	All remaining hours

Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXXX.



RATE SCHEDULE E-32TOU XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)
TIME OF USE

ADJUSTMENTS (cont)

3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

For customers with monthly maximum demands less than 20 kW, any applicable contract period will be set forth in the Company's standard agreement for service. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer or, if no additional distribution construction is required, the contract period will be one (1) year or longer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



RATE SCHEDULE E-32TOU S
SMALL GENERAL SERVICE (21 kW - 100 kW)
TIME OF USE

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose Average Monthly Maximum Demand is greater than 20 kW and less than or equal to 100 kW per month.

The Company will place the Customer on the applicable Rate Schedule E-32TOU XS, E-32TOU S, E-32TOU M, or E-32TOU L based on the Average Monthly Maximum Demand, as determined by the Company each year. Such placement will occur in the February billing cycle following the annual determination. The Company may also place the Customer on the Applicable Rate Schedule during the year, if the Customer has experienced a significant and permanent change in load as determined by the Company. Such placement will be based on available information.

Customers will be billed on Schedule E-32 S or E-32 XS depending on the On-peak Monthly Maximum Demand for each billing cycle.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt/kilowatt-hour meter.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP.

Service under this schedule is generally provided at secondary voltage or primary voltage when the customer owns the distribution transformer(s).

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Basic Service Charge:

For service through Self-Contained Meters:	\$ 0.710	per day, or
For service through Instrument-Rated Meters:	\$ 1.324	per day, or
For service at Primary Voltage:	\$ 3.415	per day



RATE SCHEDULE E-32TOU S
SMALL GENERAL SERVICE (21 kW - 100 kW)
TIME OF USE

RATES (cont)

Bundled Standard Offer Service

Demand Charge:

Secondary Service:	\$ 14.322	per kW for the first 100 On-Peak kW, plus
	\$ 9.725	per kW for all additional On-Peak kW, plus
	\$ 5.492	per kW for the first 100 Off-Peak kW, plus
	\$ 3.059	per kW for all additional Off-Peak kW

Primary Service:	\$ 13.863	per kW for the first 100 On-Peak kW, plus
	\$ 9.657	per kW for all additional On-Peak kW, plus
	\$ 4.916	per kW for the first 100 Off-Peak kW, plus
	\$ 2.979	per kW for all additional Off-Peak kW

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 0.07291 per kWh during On-Peak hours, plus \$ 0.05794 during Off-Peak hours	\$ 0.05586 per kWh during On-Peak hours, plus \$ 0.04089 during Off-Peak hours

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

Basic Service Charge:	\$ 0.126	per day
-----------------------	----------	---------

Revenue Cycle Service Charges:

Metering:

Self-Contained Meters:	\$ 0.441	per day, or
Instrument-Rated Meters:	\$ 1.055	per day, or
Primary:	\$ 3.146	per day

These daily metering charges apply to typical installations. Customers requesting specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

Meter Reading:	\$ 0.068	per day
Billing:	\$ 0.075	per day
System Benefits Charge:	\$ 0.00210	per kWh
Transmission Charge:	\$ 1.585	per kW



RATE SCHEDULE E-32TOU S
SMALL GENERAL SERVICE (21 kW - 100 kW)
TIME OF USE

RATES (cont)

Unbundled Standard Offer Service (cont)

Delivery Charge:

Secondary Service:	\$ 5.784	per kW for the first 100 On-Peak kW, plus
	\$ 1.187	per kW for all additional On-Peak kW, plus
	\$ 2.846	per kW for the first 100 Off-Peak kW, plus
	\$ 0.413	per kW for all additional Off-Peak kW, plus

Primary Service:	\$ 5.325	per kW for the first 100 On-Peak kW, plus
	\$ 1.119	per kW for all additional On-Peak kW, plus
	\$ 2.270	per kW for the first 100 Off-Peak kW, plus
	\$ 0.333	per kW for all additional Off-Peak kW, plus

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 6.953 per On-Peak kW, plus \$ 2.646 per Off-Peak kW, plus \$ 0.07081 per kWh during On-Peak hours, plus \$ 0.05584 per kWh during Off-Peak hours	\$ 6.953 per On-Peak kW, plus \$ 2.646 per Off-Peak kW, plus \$ 0.05376 per kWh during On-Peak hours, plus \$ 0.03879 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers under this rate schedule will consist of the applicable Unbundled Components Basic Service Charge, System Benefits Charge, and Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

MINIMUM

The bill for Standard Offer and Direct Access customers will not be less than the applicable Bundled Standard Offer Service Basic Service Charge plus \$ 2.206 for each of either: (1) the highest On-Peak kW established during the twelve (12) months ending with the current month; or (2) the minimum kW specified in an agreement for service, whichever is the greater.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.



RATE SCHEDULE E-32TOU S
SMALL GENERAL SERVICE (21 kW - 100 kW)
TIME OF USE

POWER FACTOR (cont)

Customers found to have a non-conforming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the On-Peak and Off-Peak periods during the billing period, as determined from readings of the Company's meter.

Monthly Maximum Demand will be based on the highest average kW supplied during the 15-minute period during either the On-Peak or Off-Peak hours of the billing period, as determined from readings of the Company's meter.

On-peak Monthly Maximum Demand will be based on the highest average kW supplied during the 15-minute period during the On-peak hours of the billing period, as determined from readings of the Company's meter.

The Average Monthly Maximum Demand shall equal the average of the On-peak Monthly Maximum Demands for the May through October billing cycles, as determined by the Company. If the On-peak Monthly Maximum Demands are not available for all six May through October billing cycles, the Average Monthly Maximum Demand will be based on the available information. For a new customer, the initial Average Monthly Maximum Demand will be based on the estimated maximum On-peak kW provided by the Customer and approved by the Company.

TIME PERIODS

Time periods applicable to usage under this rate schedule are as follows:

On-Peak hours:	11:00 am – 9:00 pm Monday through Friday
Off-Peak hours:	All remaining hours

Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.



RATE SCHEDULE E-32TOU S
SMALL GENERAL SERVICE (21 kW - 100 kW)
TIME OF USE

ADJUSTMENTS (cont)

5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

For customers with monthly maximum demands greater than 20 and less than 100 kW, any applicable contract period will be set forth in the Company's standard agreement for service. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer or, if no additional distribution construction is required, the contract period will be one (1) year or longer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



RATE SCHEDULE E-32TOU M
MEDIUM GENERAL SERVICE (101 kW – 400 kW)
TIME OF USE

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose Average Monthly Maximum Demand is greater than 100 kW and less than or equal to 400 kW per month.

The Company will place the Customer on the applicable Rate Schedule E-32TOU XS, E-32TOU S, E-32TOU M, or E-32TOU L based on the Average Monthly Maximum Demand, as determined by the Company each year. Such placement will occur in the February billing cycle following the annual determination. The Company may also place the Customer on the Applicable Rate Schedule during the year, if the Customer has experienced a significant and permanent change in load as determined by the Company. Such placement will be based on available information.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt/kilowatt-hour meter.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service nor to service for which Rate Schedule E-35 is applicable.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP.

Service under this schedule is generally provided at secondary voltage; primary voltage when the customer owns the distribution transformer(s), or transmission voltage.

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 0.710	per day, or
For service through Instrument-Rated Meters:	\$ 1.324	per day, or
For service at Primary Voltage:	\$ 3.415	per day, or
For service at Transmission Voltage:	\$ 26.163	per day



RATE SCHEDULE E-32TOU M
MEDIUM GENERAL SERVICE (101 kW – 400 kW)
TIME OF USE

RATES (cont)

Bundled Standard Offer Service (cont)

Demand Charge:

Secondary Service: \$ 14.209 per kW for the first 100 On-Peak kW, plus
\$ 9.649 per kW for all additional On-Peak kW, plus
\$ 5.449 per kW for the first 100 Off-Peak kW, plus
\$ 3.034 per kW for all additional Off-Peak kW

Primary Service: \$ 13.753 per kW for the first 100 On-Peak kW, plus
\$ 9.581 per kW for all additional On-Peak kW, plus
\$ 4.877 per kW for the first 100 Off-Peak kW, plus
\$ 2.955 per kW for all additional Off-Peak kW

Transmission Service: \$ 12.938 per kW for the first 100 On-Peak kW, plus
\$ 9.300 per kW for all additional On-Peak kW, plus
\$ 4.232 per kW for the first 100 Off-Peak kW, plus
\$ 2.849 per kW for all additional Off-Peak kW

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 0.07233 per kWh during On-Peak hours, plus \$ 0.05748 during Off-Peak hours	\$ 0.05542 per kWh during On-Peak hours, plus \$ 0.04057 during Off-Peak hours

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

Basic Service Charge: \$ 0.126 per day

Revenue Cycle Service Charges:

Metering:

Self-Contained Meters: \$ 0.441 per day, or
Instrument-Rated Meters: \$ 1.055 per day, or
Primary: \$ 3.146 per day, or
Transmission: \$ 25.894 per day

These daily metering charges apply to typical installations. Customers requesting specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.



RATE SCHEDULE E-32TOU M
MEDIUM GENERAL SERVICE (101 kW – 400 kW)
TIME OF USE

RATES (cont)

Unbundled Standard Offer Service (cont)

Revenue Cycle Service Charges (cont)

Meter Reading:	\$ 0.068	per day
Billing:	\$ 0.075	per day
System Benefits Charge:	\$ 0.00210	per kWh
Transmission Charge:	\$ 1.585	per kW
Delivery Charge:		
Secondary Service:	\$ 5.726	per kW for the first 100 On-Peak kW, plus
	\$ 1.166	per kW for all additional On-Peak kW, plus
	\$ 2.824	per kW for the first 100 Off-Peak kW, plus
	\$ 0.409	per kW for all additional Off-Peak kW
Primary Service:	\$ 5.270	per kW for the first 100 On-Peak kW, plus
	\$ 1.098	per kW for all additional On-Peak kW, plus
	\$ 2.252	per kW for the first 100 Off-Peak kW, plus
	\$ 0.330	per kW for all additional Off-Peak kW
Transmission Service:	\$ 4.455	per kW for the first 100 On-Peak kW, plus
	\$ 0.817	per kW for all additional On-Peak kW, plus
	\$ 1.607	per kW for the first 100 Off-Peak kW, plus
	\$ 0.224	per kW for all additional Off-Peak kW

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 6.898 per On-Peak kW, plus \$ 2.625 per Off-Peak kW, plus \$ 0.07023 per kWh during On-Peak hours, plus \$ 0.05538 per kWh during Off-Peak hours	\$ 6.898 per On-Peak kW, plus \$ 2.625 per Off-Peak kW, plus \$ 0.05332 per kWh during On-Peak hours, plus \$ 0.03847 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers under this rate schedule will consist of the applicable Unbundled Components Basic Service Charge, System Benefits Charge, and Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.



RATE SCHEDULE E-32TOU M
MEDIUM GENERAL SERVICE (101 kW – 400 kW)
TIME OF USE

MINIMUM

The bill for Standard Offer and Direct Access customers will not be less than the applicable Bundled Standard Offer Service Basic Service Charge plus \$ 2.189 for each of either: (1) the highest On-Peak kW established during the twelve (12) months ending with the current month; or (2) the minimum kW specified in an agreement for service, whichever is the greater.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the On-Peak and Off-Peak periods during the billing period, as determined from readings of the Company's meter.

Monthly Maximum Demand will be based on the highest average kW supplied during the 15-minute period during either the On-Peak or Off-Peak hours of the billing period, as determined from readings of the Company's meter.

On-peak Monthly Maximum Demand will be based on the highest average kW supplied during the 15-minute period during the On-peak hours of the billing period, as determined from readings of the Company's meter.

The Average Monthly Maximum Demand shall equal the average of the On-peak Monthly Maximum Demands for the May through October billing cycles, as determined by the Company. If the On-peak Monthly Maximum Demands are not available for all six May through October billing cycles, the Average Monthly Maximum Demand will be based on the available information. For a new customer, the initial Average Monthly Maximum Demand will be based on the estimated maximum On-peak kW provided by the Customer and approved by the Company.

TIME PERIODS

Time periods applicable to usage under this rate schedule are as follows:

On-Peak hours:	11:00 am – 9:00 pm Monday through Friday
Off-Peak hours:	All remaining hours

Mountain Standard Time shall be used in the application of this rate schedule.



RATE SCHEDULE E-32TOU M
MEDIUM GENERAL SERVICE (101 kW – 400 kW)
TIME OF USE

ADJUSTMENTS

- 1 The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
- 2 The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXXX.
- 3 The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 4 The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
- 5 The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 6 Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 7 The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXXX.
- 8 The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

For customers with monthly maximum demands greater than 100 and less than 400 kW, any applicable contract period will be set forth in the Company's standard agreement for service. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer or, if no additional distribution construction is required, the contract period will be one (1) year or longer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



RATE SCHEDULE E-32TOU L
LARGE GENERAL SERVICE (401 kW +)
TIME OF USE

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose Average Monthly Maximum Demand is greater than 400 kW per month.

The Company will place the Customer on the applicable Rate Schedule E-32TOU XS, E-32TOU S, E-32TOU M, or E-32TOU L based on the Average Monthly Maximum Demand, as determined by the Company each year. Such placement will occur in the February billing cycle following the annual determination. The Company may also place the Customer on the Applicable Rate Schedule during the year, if the Customer has experienced a significant and permanent change in load as determined by the Company. Such placement will be based on available information.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

This rate schedule is applicable to all Standard Offer and Direct Access electric service required when such service is supplied at one point of delivery and measured through one meter. Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt/kilowatt-hour meter.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service nor to service for which Rate Schedule E-35 is applicable.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP.

Service under this schedule is generally provided at secondary voltage; primary voltage when the customer owns the distribution transformer(s), or transmission voltage.

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 0.710	per day, or
For service through Instrument-Rated Meters:	\$ 1.324	per day, or



RATE SCHEDULE E-32TOU L
LARGE GENERAL SERVICE (401 kW +)
TIME OF USE

RATES (cont)

Bundled Standard Offer Service (cont)

For service at Primary Voltage:	\$ 3.415	per day, or
For service at Transmission Voltage:	\$ 26.163	per day

Demand Charge:

Secondary Service:	\$ 13.901	per kW for the first 100 On-Peak kW, plus
	\$ 9.439	per kW for all additional On-Peak kW, plus
	\$ 5.331	per kW for the first 100 Off-Peak kW, plus
	\$ 2.969	per kW for all additional Off-Peak kW

Primary Service:	\$ 13.455	per kW for the first 100 On-Peak kW, plus
	\$ 9.373	per kW for all additional On-Peak kW, plus
	\$ 4.771	per kW for the first 100 Off-Peak kW, plus
	\$ 2.891	per kW for all additional Off-Peak kW

Transmission Service:	\$ 12.658	per kW for the first 100 On-Peak kW, plus
	\$ 9.098	per kW for all additional On-Peak kW, plus
	\$ 4.140	per kW for the first 100 Off-Peak kW, plus
	\$ 2.787	per kW for all additional Off-Peak kW

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 0.07076 per kWh during On-Peak hours, plus \$ 0.05623 during Off-Peak hours	\$ 0.05421 per kWh during On-Peak hours, plus \$ 0.03968 during Off-Peak hours

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

Basic Service Charge:	\$ 0.126	per day
-----------------------	----------	---------

Revenue Cycle Service Charges:

Metering:

Self-Contained Meters:	\$ 0.441	per day, or
Instrument-Rated Meters:	\$ 1.055	per day, or
Primary:	\$ 3.146	per day, or
Transmission:	\$ 25.894	per day

These daily metering charges apply to typical installations. Customers requesting specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.



RATE SCHEDULE E-32TOU L
LARGE GENERAL SERVICE (401 kW +)
TIME OF USE

RATES (cont)

Unbundled Standard Offer Service (cont)

Revenue Cycle Service Charges (cont)

Meter Reading:	\$ 0.068	per day
Billing:	\$ 0.075	per day
System Benefits Charge:	\$ 0.00210	per kWh
Transmission Charge:	\$ 1.585	per kW
Delivery Charge:		
Secondary Service:	\$ 5.567	per kW for the first 100 On-Peak kW, plus
	\$ 1.105	per kW for all additional On-Peak kW, plus
	\$ 2.763	per kW for the first 100 Off-Peak kW, plus
	\$ 0.401	per kW for all additional Off-Peak kW
Primary Service:	\$ 5.121	per kW for the first 100 On-Peak kW, plus
	\$ 1.039	per kW for all additional On-Peak kW, plus
	\$ 2.203	per kW for the first 100 Off-Peak kW, plus
	\$ 0.323	per kW for all additional Off-Peak kW
Transmission Service:	\$ 4.324	per kW for the first 100 On-Peak kW, plus
	\$ 0.764	per kW for all additional On-Peak kW, plus
	\$ 1.572	per kW for the first 100 Off-Peak kW, plus
	\$ 0.219	per kW for all additional Off-Peak kW

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 6.749 per On-Peak kW, plus \$ 2.568 per Off-Peak kW, plus \$ 0.06866 per kWh during On-Peak hours, plus \$ 0.05413 per kWh during Off-Peak hours	\$ 6.749 per On-Peak kW, plus \$ 2.568 per Off-Peak kW, plus \$ 0.05211 per kWh during On-Peak hours, plus \$ 0.03758 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers under this rate schedule will consist of the applicable Unbundled Components Basic Service Charge, System Benefits Charge, and Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.



RATE SCHEDULE E-32TOU L
LARGE GENERAL SERVICE (401 kW +)
TIME OF USE

MINIMUM

The bill for Standard Offer and Direct Access customers will not be less than the applicable Bundled Standard Offer Service Basic Service Charge plus \$ 2.141 for each of either: (1) the highest On-Peak kW established during the twelve (12) months ending with the current month; or (2) the minimum kW specified in an agreement for service, whichever is the greater.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the On-Peak and Off-Peak periods during the billing period, as determined from readings of the Company's meter.

Monthly Maximum Demand will be based on the highest average kW supplied during the 15-minute period during either the On-Peak or Off-Peak hours of the billing period, as determined from readings of the Company's meter.

On-peak Monthly Maximum Demand will be based on the highest average kW supplied during the 15-minute period during the On-peak hours of the billing period, as determined from readings of the Company's meter.

The Average Monthly Maximum Demand shall equal the average of the On-peak Monthly Maximum Demands for the May through October billing cycles, as determined by the Company. If the On-peak Monthly Maximum Demands are not available for all six May through October billing cycles, the Average Monthly Maximum Demand will be based on the available information. For a new customer, the initial Average Monthly Maximum Demand will be based on the estimated maximum On-peak kW provided by the Customer and approved by the Company.

TIME PERIODS

Time periods applicable to usage under this rate schedule are as follows:

On-Peak hours:	11:00 am – 9:00 pm Monday through Friday
Off-Peak hours:	All remaining hours

Mountain Standard Time shall be used in the application of this rate schedule.



**RATE SCHEDULE E-32TOUL
LARGE GENERAL SERVICE (401 kW +)
TIME OF USE**

ADJUSTMENTS

- 1 The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
- 2 The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXXX.
- 3 The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 4 The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
- 5 The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 6 Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 7 The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXXX.
- 8 The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

For customers with monthly maximum demands greater than 400 kW, any applicable contract period will be set forth in the Company's standard agreement for service. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer or, if no additional distribution construction is required, the contract period will be one (1) year or longer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-34
EXTRA LARGE GENERAL SERVICE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose monthly maximum demand registers 3,000 kW or more for three (3) consecutive months in any continuous twelve (12) month period ending with the current month. Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be three phase, 60 Hertz, at the Company's standard voltages that are available within the vicinity of the customer site.

Service under this schedule is generally provided at secondary voltage, primary voltage when the customer owns the distribution transformer(s), or transmission voltage.

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 1.135	per day, or
For service through Instrument-Rated Meters:	\$ 1.776	per day, or
For service at Primary Voltage:	\$ 3.828	per day, or
For service at Transmission Voltage:	\$ 26.161	per day

Demand Charge:

Secondary Service:	\$ 17.377	per kW, or
Primary Service:	\$ 16.478	per kW, or
Transmission Service:	\$ 12.005	per kW

The Demand Charge for military base customers taking primary service and served from dedicated distribution feeder(s) shall be reduced to \$12.787 per kW.

Energy Charge:	\$ 0.04220	per kWh
----------------	------------	---------



**RATE SCHEDULE E-34
EXTRA LARGE GENERAL SERVICE**

RATES (cont)

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service:

Basic Service Charge:	\$ 0.601	per day
Revenue Cycle Service Charges:		
Metering:		
Self-Contained Meters:	\$ 0.395	per day, or
Instrument-Rated Meters:	\$ 1.036	per day, or
Primary:	\$ 3.088	per day, or
Transmission:	\$ 25.421	per day

These daily metering charges apply to typical installations. Customers requiring specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

Meter Reading:	\$ 0.066	per day
Billing:	\$ 0.073	per day
System Benefits Charge:	\$ 0.00210	per kWh
Transmission Charge:	\$ 1.776	per kW
Delivery Charge:		
Secondary Service:	\$ 5.635	per kW
Primary Service:	\$ 4.736	per kW
Transmission Service:	\$ 0.263	per kW

The Delivery Charge for military base customers taking primary service and served from a dedicated distribution feeder(s) Company substation shall be reduced to \$1.045 per kW.

Generation Charge:	\$ 9.966	per kW, plus
	\$ 0.04010	per kWh

Direct Access

The bill for Direct Access customers will consist of the applicable Unbundled Components Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.



**RATE SCHEDULE E-34
EXTRA LARGE GENERAL SERVICE**

MINIMUM

The bill for service under this rate schedule shall not be less than the applicable Bundled Standard Offer Service Basic Service Charge plus the applicable Bundled Standard Offer Service Demand Charge for each kW as determined below.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor or other detrimental conditions shall be required to remedy problems or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be the greater of the following:

1. The average kW supplied during the 15-minute period (or other period as specified by an individual customer contract) of maximum use during the month, as determined from readings of the Company's meter.
2. 80% of the highest kW measured during the six (6) summer billing months (May-October) of the twelve (12) months ending with the current month.
3. The minimum kW specified in the agreement for service or individual contract.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.



**RATE SCHEDULE E-34
EXTRA LARGE GENERAL SERVICE**

ADJUSTMENTS (cont)

5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

The contract period for customers served under this rate schedule will be three (3) years, at the Company's option. If the Company determines that the customer service location is such that unusual or substantial distribution construction is required to serve the site, the Company may require a contract of ten (10) years or longer with a standard seven (7) year termination provision.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



RATE SCHEDULE E-35
EXTRA LARGE GENERAL SERVICE
TIME OF USE

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose monthly maximum demand registers 3,000 kW or more for three (3) consecutive months in any continuous twelve (12) month period ending with the current month. Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be three phase, 60 Hertz, at the Company's standard voltages that are available within the vicinity of the customer site.

Service under this schedule is generally provided at secondary voltage, primary voltage when the customer owns the distribution transformer(s), or transmission voltage.

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 1.183	per day, or
For service through Instrument-Rated Meters:	\$ 1.795	per day, or
For service at Primary Voltage:	\$ 3.881	per day, or
For service at Transmission Voltage:	\$ 26.574	per day

Demand Charge:

Secondary Service:	\$ 15.091	per On-Peak kW, plus
	\$ 2.734	per Off-Peak kW, or
Primary Service:	\$ 14.343	per On-Peak kW, plus
	\$ 2.659	per Off-Peak kW, or
Transmission Service:	\$ 10.483	per On-Peak kW, plus
	\$ 2.273	per Off-Peak kW

The Demand Charge for military base customers taking primary service and served from dedicated distribution feeder(s) shall be reduced to \$ 11.520 per On-Peak kW and \$ 2.376 per Off-Peak kW.



RATE SCHEDULE E-35
EXTRA LARGE GENERAL SERVICE
TIME OF USE

RATES (cont)

Energy Charge:	\$ 0.04694	per kWh during On-Peak hours, plus
	\$ 0.03530	per kWh during Off-Peak hours

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

Basic Service Charge:	\$ 0.601	per day
-----------------------	----------	---------

Revenue Cycle Service Charges:

Metering:

Self-Contained Meters:	\$ 0.440	per day, or
Instrument-Rated Meters:	\$ 1.052	per day, or
Primary:	\$ 3.138	per day, or
Transmission:	\$ 25.831	per day

These daily metering charges apply to typical installations. Customers requiring specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

Meter Reading:	\$ 0.068	per day
----------------	----------	---------

Billing:	\$ 0.074	per day
----------	----------	---------

System Benefits Charge:	\$ 0.00210	per kWh
-------------------------	------------	---------

Transmission Charge:	\$ 1.776	per On-Peak kW
----------------------	----------	----------------

Delivery Charge:

Secondary Service:	\$ 4.951	per On-Peak kW, plus
	\$ 0.495	per kW Off-Peak, or

Primary Service:	\$ 4.203	per On-Peak kW, plus
	\$ 0.420	per Off-Peak kW, or

Transmission Service:	\$ 0.343	per On-Peak kW, plus
	\$ 0.034	per Off-Peak kW

In addition, the Delivery Charge for military base customers taking primary service and served directly from a Company substation shall be reduced to \$ 1.380 per On-Peak kW and \$ 0.137 per Off-Peak kW.

Generation Charge:	\$ 8.364	per On-Peak kW, plus
	\$ 2.239	per Off-Peak kW, plus
	\$ 0.04484	per kWh during On-Peak hours, plus
	\$ 0.03320	per kWh during Off-Peak hours



RATE SCHEDULE E-35
EXTRA LARGE GENERAL SERVICE
TIME OF USE

DIRECT ACCESS

The bill for Direct Access customers will consist of the applicable Unbundled Components Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

MINIMUM

The bill for service under this rate schedule shall not be less than the applicable Bundled Standard Offer Service Basic Service Charge plus the applicable Bundled Standard Offer Service Demand Charge for the minimum kW specified in the agreement for service or individual customer contract.

DETERMINATION OF KW

For billing purposes, the On-Peak kW used in this rate schedule shall be the greater of the following:

1. The average On-Peak kW supplied during the 15-minute period (or other period as specified by an individual customer contract) of maximum use during the On-Peak hours of the month, as determined from readings of the Company's meter.
2. 80% of the highest On-Peak kW measured during the six (6) summer billing months (May-October) of the twelve (12) months ending with the current month.

The Off-Peak kW used in this rate schedule shall be the average kW supplied during the 15-minute period (or other period as specified by individual customer contract) of maximum use during the Off-Peak hours of the month as determined from readings of the Company's meter.

TIME PERIODS

Time periods applicable to usage under this rate schedule are as follows:

On-Peak hours:	11:00 am – 9:00 pm Monday through Friday
Off-Peak hours:	All remaining hours



**RATE SCHEDULE E-35
EXTRA LARGE GENERAL SERVICE
TIME OF USE**

TIME PERIODS (Cont)

Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

The contract period for customers served under this rate schedule will be three (3) years, at the Company's option. If the Company determines that the customer service location is such that unusual or substantial distribution construction is required to serve the site, the Company may require a contract of ten (10) years or longer with a standard seven (7) year termination provision.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

GENERAL SERVICE - RIDERS



**RATE SCHEDULE E-32R
GENERAL SERVICE
PARTIAL REQUIREMENTS**

This rate is canceled effective January 1, 2010 per A.C.C. Decision No. 69663 and A.C.C. Decision No. XXXXX.



**RATE SCHEDULE E-53
GENERAL SERVICE
ATHLETIC STADIUMS AND SPORTS FIELDS**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service for outdoor athletic stadiums and sports fields operated by schools, churches or municipalities where such service is supplied at one point of delivery and measured through one meter. All provisions of the applicable general service rate schedule will apply except those specifically modified herein. Direct Access customers are not eligible for service under this schedule.

This rate schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

RATES

Customers being served under this rate schedule will be billed in accordance with the otherwise applicable general service rate with the following exceptions:

1. KW for a minimum bill will be based on the average kW measured during the 15-minute period of maximum use during the current billing month.
2. In those months in which service is not used, no bills will be rendered.



**RATE SCHEDULE E-54
GENERAL SERVICE
SEASONAL SERVICE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer or Direct Access electric service billed under general service rate schedules (except as limited below) where the customer's requirements are distinctly of a recurring seasonal nature, and where the customer enters into an agreement for service with the Company for a sufficient period of time and guarantees payments of a sufficient amount (in no event less than the MINIMUM 12-MONTH CHARGE in any 12 consecutive months) to justify the Company's expenses for installing service facilities and leaving them in place from season to season.

The application of this rate schedule is subject to the following limitations:

1. This schedule is applicable only to electric service otherwise eligible for Rate Schedule E-32.
2. Customers whose highest measured monthly kW for the calendar year occurs in the billing months of June, July or August are not eligible for this rate schedule.

RATES

Customers being served under this rate schedule will be billed in accordance with Rate Schedule E-32 with the following exception:

The minimum bill shall be the minimum specified in the otherwise applicable rate schedule, but not more than an amount sufficient to make the total charges for the 12 months ending with the current month equal to twelve times the minimum specified in the rate schedule as calculated on the highest kW established during the 12 months ending with the current month, or the minimum kW specified in an agreement for service, whichever is greater, but in no event less than the MINIMUM 12-MONTH CHARGE.

MINIMUM 12-MONTH CHARGE: \$ 603.49

RATE SCHEDULE CPP-GS
CRITICAL PEAK PRICING – GENERAL SERVICE

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

The Rate Schedule CPP-GS is available to retail Standard Offer customers served on Rate Schedules E-32 M, E-32 L, E-32TOU M, E-32TOU L, E-34, E-35, and E-221. The eligible customer must demonstrate the ability to reduce usage during Critical Events by a minimum of 200 kW and submit a load reduction plan, which must be approved by the Company prior to participation. The eligible customer must also have interval metering.

All provisions of the customer's otherwise applicable rate schedule will apply in addition to the charges in Schedule CPP-GS. Schedule CPP-GS is available for a period of two years from the initial availability.

A customer may not simultaneously participate in Schedule CPP-GS and another demand response rate or program. A customer may participate in Schedule CPP-GS and a net metering rate schedule, subject to meter availability. However, any customer generation in excess of load during a CPP Event will be netted according to the customer's otherwise applicable rate schedule and will not be netted against usage during a subsequent CPP Event.

RATES

A. Critical Peak Price **\$0.40000** per kWh
Critical Peak Price applies to kWh usage during a CPP Event.

B. Energy Discount

Rate Schedule E-32 M	\$(0.014892)	per kWh
Rate Schedule E-32 L	\$(0.014438)	per kWh
Rate Schedule E-32 TOU M	\$(0.014892)	per kWh
Rate Schedule E-32 TOU L	\$(0.014438)	per kWh
Rate Schedule E-34	\$(0.014350)	per kWh
Rate Schedule E-35	\$(0.012470)	per kWh
Rate Schedule E-221	\$(0.011755)	per kWh

Energy Discount applies to Customer's total monthly kWh during June through September billing cycles.



**RATE SCHEDULE CPP-GS
CRITICAL PEAK PRICING – GENERAL SERVICE**

CONDITIONS

- A. CPP Events: CPP Events may be invoked by the Company for the period 2 p.m. to 7 p.m., weekdays (Monday through Friday) during June through September. Holidays are excluded, which include Independence Day (July 4th) and Labor Day (first Monday in September). A CPP Event can be triggered by severe weather, high load, high wholesale prices, or a major generation or transmission outage, as determined by the Company.
- B. Number and Duration of CPP Events: The Company will invoke a minimum of 6 CPP Events and up to a maximum of 18 CPP Events per calendar year, for 5 hours per event and a maximum of 90 hours per year.
- C. CPP Event Notification/Communication: Customers shall be notified of a CPP Event in advance by 4:00 PM the day prior through a phone message, e-mail, or text message. Receipt of such notice is the responsibility of the participating customer.
- D. CPP Event Cancellation: Once a CPP event alert has been initiated, there are no conditions that would warrant the critical event to be cancelled.

CLASSIFIED



RATE SCHEDULE E-20
CLASSIFIED SERVICE
TIME OF USE FOR RELIGIOUS HOUSES OF WORSHIP

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service for non-taxable religious houses of worship whose main purpose is worship and who have an established and continuing membership. Only the meter that measures service to the building in which the sanctuary or principal place of worship is located is eligible for this schedule. Customers must apply to the Company in order to determine eligibility for service under this schedule, and the Company may request a copy of the Internal Revenue Service letter in which the customer's non-taxable status as a religious organization is determined. In addition, customers agree to provide the Company a copy of any Internal Revenue Service letter which changes or supersedes that tax status determination.

Rate selection is subject to paragraphs 3.2 and 3.3 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt meter.

Additionally, this rate schedule is applicable only to those customers being served on the Company's Rate Schedule E-20 prior to January 1, 2011.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service nor to service for which Rate Schedules E-34 or E-35 is applicable. Direct Access customers are not eligible for this rate schedule.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP.

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this schedule:

Basic Service Charge: \$ 1.065 per day

Demand Charge:

May -- October Billing Cycles (Summer)	November -- April Billing Cycles (Winter)
\$2.391 per On-Peak kW	\$2.156 per On-Peak kW

In the event the Off-Peak kW is greater than twice the highest On-Peak kW established during the current month, the difference between such Off-Peak kW and twice the On-Peak kW shall be billed at 50% of the current month's On-Peak kW charge, in addition to the Demand Charge as stated above.



RATE SCHEDULE E-20
CLASSIFIED SERVICE
TIME OF USE FOR RELIGIOUS HOUSES OF WORSHIP

RATES (cont)

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 0.14380 per kWh during On-Peak hours, plus \$ 0.06945 per kWh during Off-Peak hours	\$ 0.12644 per kWh during On-Peak hours, plus \$ 0.06226 per kWh during Off-Peak hours

MINIMUM

The bill for service under this rate schedule will not be less than \$1.065 per day plus \$1.951 for each kW of either: (1) the highest kW established during the twelve (12) months ending with the current month, or (2) the minimum kW specified in the agreement for service, whichever is the greater.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the On-Peak and Off-Peak periods during the month, as determined from readings of the Company's meter.

TIME PERIODS

Time periods applicable to usage under this rate schedule are as follows:

On-Peak hours:	11:00 am – 9:00 pm Monday through Friday
Off-Peak hours:	All remaining hours

Mountain Standard Time shall be used in the application of this rate schedule.



RATE SCHEDULE E-20
CLASSIFIED SERVICE
TIME OF USE FOR RELIGIOUS HOUSES OF WORSHIP

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

The contract period for all customers receiving service under this rate schedule will be one (1) year at the Company's option.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-36
CLASSIFIED SERVICE
STATION USE SERVICE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the premises served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service for start-up and/or auxiliary load requirements for generation plants with a Power Supply capacity requirement of greater than 3 MW. Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by individual customer contract. This rate schedule may be used in conjunction with other applicable Company rate schedules; however, any service under this schedule is not eligible for Direct Access.

TYPE OF SERVICE

The type of service provided under this rate schedule shall be three phase, 60 Hertz, at one standard voltage available within the vicinity of the customer's site.

RATES

The bill shall be the sum of the amounts included under A., B. and C. below, including any applicable adjustments:

A. Basic Service

Basic Service Charge: \$ 4,930.00 per month

B. Metering Service

The monthly metering charge shall be 1.29% of the total metering cost specified in the Electric Supply Agreement between the Company and the customer. This percentage will be reduced to 0.35% when the customer provides all necessary metering equipment and is responsible for its replacement. The customer shall also be responsible for all applicable costs associated with communications facilities used to compile metered usage information.

C. Power Supply Service

The charge for Power Supply Service shall be the sum of 1. and 2. below:

1. T & D Capacity Rate: \$ 4.577 per kW of Contract Power Supply Capacity for service provided at secondary distribution voltage levels (less than 12.5 kV) plus the total TCA-1 charge for General Service 3,000 kW or greater in Adjustment Schedule TCA-1, or

1. T & D Capacity Rate: \$ 3.971 per kW of Contract Power Supply Capacity for service provided at primary distribution voltage levels (12.5 kV to below 69 kV) plus the total TCA-1 charge for General Service 3,000 kW or greater in Adjustment Schedule TCA-1, or



**RATE SCHEDULE E-36
CLASSIFIED SERVICE
STATION USE SERVICE**

1. T & D Capacity Rate: \$ 0.207 per kW of Contract Power Supply Capacity for service provided at transmission voltage levels (69 kV or higher) plus the total TCA-1 charge for General Service 3,000 kW or greater in Adjustment Schedule TCA-1
2. Power Supply/Energy/Ancillary Service Charge: Hourly Pricing Proxy plus \$ 0.00050 for each kWh used

CONTRACT PERIOD

Any applicable contract periods will be set forth in an Electric Supply Agreement between the customer and the Company.

CONNECTION COSTS

The customer will pay all applicable connection costs and system improvement costs not otherwise covered in this schedule as a non-refundable contribution in aid of construction, including any associated tax liability.

POWER SUPPLY CAPACITY

Power Supply Capacity kW shall be defined as the greater of:

- (a) The amount of capacity (kW) reserved by the customer in the Electric Supply Agreement; or
- (b) The highest 15 minute measured kW supplied by the Company, by voltage level, to accommodate the start-up of the customer's generation unit(s) plus any necessary auxiliary load (including generation auxiliary load and/or any other load requirements at the plant site that would otherwise be provided by the customer when the generation unit(s) are running).

If more than one generation unit is present at a single site, the Electric Supply Agreement may, at the Company's option, allow the customer to start one unit at a time. In this instance, Power Supply Capacity kW shall be defined as the greater of:

- (a) The amount of capacity (kW) reserved by the customer in the Electric Supply Agreement; or
- (b) The highest 15 minute measured kW supplied by the Company, by voltage level, to accommodate the start-up of one and only one customer generation unit at any given time plus any necessary auxiliary load (including any or all generation auxiliary load and/or any other load requirements at the entire plant site that would otherwise be provided by the customer when any or all generation unit(s) are running).

If, during any one billing period, the highest 15 minute measured kW supplied by the Company (by voltage level) exceeds the amount of Power Supply Capacity specified in the Electric Supply Agreement, the Power Supply Capacity reservation (by voltage level) shall be permanently increased to equal the higher measured kW. If the Company incurs additional connection costs to provide this added capacity, the customer is responsible for payment of these costs as specified herein.



**RATE SCHEDULE E-36
CLASSIFIED SERVICE
STATION USE SERVICE**

RATES (cont)

DETERMINATION OF HOURLY PRICING PROXY

Hourly pricing proxy shall be calculated using the published day ahead Dow Jones Electricity Price Index. APS will calculate a weighted average using the day ahead hub pricing and volumes at Palo Verde, Four Corners, and Mead, for firm on-peak and off-peak prices as expressed on a per kWh basis, at the time Station Use power is supplied to the customer.

METERING

The Company will normally install a supply meter at the point of delivery to the customer and a generator meter(s) at the point(s) of output from each of the customer's generators. However, the customer can elect to supply this metering as long as it conforms to Company specifications. All meters will record integrated demand and energy on the same 15-minute interval basis as specified by the Company.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
3. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
4. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.



**RATE SCHEDULE E-36
CLASSIFIED SERVICE
STATION USE SERVICE**

ADJUSTMENTS (cont)

5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXX.
7. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

Service under this schedule is not subject to the Company's Adjustment Schedule PSA-1.

INTERCONNECTION REQUIREMENTS

The customer must meet all interconnection requirements as determined by the Company. The customer is responsible for all costs associated with interconnection of the customer's generation facility to the Company's system.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-40
CLASSIFIED SERVICE
AGRICULTURAL WIND MACHINE SERVICE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the premises served.

APPLICATION

This rate schedule is applicable to all Standard Offer electric service required for the operation of wind machine for frost control during the months of November through March only when such service is supplied at one point of delivery and measured through one meter. Direct Access customers are not eligible for this rate schedule.

This schedule is not applicable to temporary, breakdown, standby, supplementary, or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be three phase, 60 Hertz, at one standard voltage (120/240, 120/480, or 7,200/12,000 volts as may be selected by customer subject to availability at the site).

Applicable only to customers being served on the Company's Rate Schedule E-40 prior to November 15, 1986.

RATES

Basic Service Charge: \$ 0.049 per HorsePower per day

Energy Charge: \$ 0.09106 per kWh for all kWh

HorsePower will be equivalent to the wind machine name plate rating unless Company tests indicate the motor is overloaded by more than 15%.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.



RATE SCHEDULE E-40
CLASSIFIED SERVICE
AGRICULTURAL WIND MACHINE SERVICE

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744 Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission No. XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

SPECIAL PROVISIONS

1. For billing under this rate schedule, the customer may choose between one of the following options:
 - a) Monthly billing;
 - b) Semiannual billing for three (3) months in advance and three (3) months actual use; or
 - c) Annual billing for six (6) months in advance and six (6) months actual use.

After initial selection of payment by the customer no change may be made during the term of the service agreement.

2. Thermostatically controlled wind machines with automatic reclosing switches must be equipped at the customer's expense with suitable time-delay devices to permit the required adjustment of the time of reclosure after interruption of service.

A time-delay device is a relay or other type of equipment that can be preset to delay with various time intervals the reclosing of the automatic switches in order to stagger the reconnection of the load on the utility's system. This device must be constructed so as to effectively permit a variable overall time interval of not less than five minutes with adjustable time increments of not greater than ten seconds. The particular setting to be utilized for each separate installation is to be determined by the Company from time to time in accordance with its operating requirements.



**RATE SCHEDULE E-40
CLASSIFIED SERVICE
AGRICULTURAL WIND MACHINE SERVICE**

CONTRACT PERIOD

The initial customer contract period shall be five (5) years. The contract period for any renewals shall be three (3) years.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

FROZEN



RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to outdoor lighting which operates only from dusk to dawn and where service can be supplied from the existing secondary facilities of the Company. Dusk is defined as the time between sunset and full night when a photocontrol senses the lack of sufficient sunlight and turns on the lights. Dawn is defined as the time between full night and sunrise when a photocontrol senses sufficient sunlight to turn off lights.

RATES

The customer's bill shall be computed at the following rates for each type of standard facility and/or service utilized to provide outdoor lighting, plus any adjustments incorporated in this schedule:

I. FIXTURES (Includes Mounting Arm, if Applicable)

	Lumen	Watts	kWh	RATES	
				Company Owned	Customer Owned
A. Acorn	9,500 HPS	100	41	\$27.06	\$9.22
	16,000	150	69	30.04	11.65
B. Architectural	9,500 HPS	100	41	15.38	7.34
	16,000	150	69	17.96	9.82
	30,000	250	99	21.31	12.60
	50,000	400	153	26.29	18.13
	14,000 MH	175	72	21.51	11.79
	21,000 MH	250	101	24.42	14.54
	36,000 MH	400	159	30.54	20.00
	8,000 LPS	55	30	22.35	9.82
	13,500 LPS	90	50	26.36	11.84
	22,500 LPS	135	72	30.11	14.45
C. Cobra/Roadway	33,000 LPS	180	90	36.22	17.02
	5,800 HPS	70	29	8.73	5.16
	9,500 HPS	100	41	10.28	6.32
	16,000	150	69	12.87	8.82
	30,000	250	99	15.52	11.46
	50,000	400	153	21.06	16.37
	14,000 MH	175	72	14.97	10.20
	21,000 MH	250	101	17.49	12.69
	36,000 MH	400	159	23.03	17.63
	8,000 FL	100	38	17.20	5.04



RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE

RATES (cont)

I. FIXTURES (Includes Mounting Arm, if Applicable) (cont)

FIXTURES (includes Mounting Arm, if Applicable) (cont.)				RATES		
		Lumen	Watts	kWh	Company Owned	Customer Owned
D. Decorative Transit		9,500 HPS	100	41	\$37.09	\$11.11
		16,000 HPS	150	69	36.88	6.31
		30,000 HPS	250	99	42.46	16.02
E. Flood		30,000 HPS	250	99	20.61	12.81
		50,000 HPS	400	153	25.56	17.77
		21,000 MH	250	101	22.00	13.53
		36,000 MH	400	159	26.82	18.35
F. Post Top	Colonial Gray	8,000 FL	100	38	18.54	5.23
		9,500 HPS	100	41	10.60	6.65
	Colonial Black	9,500 HPS	100	41	12.21	6.88
	Decorative Transit	9,500 HPS	100	41	32.47	10.24
G. FROZEN						
		4,000 INC	295	103	\$9.78	\$5.47
		7,000 MV	175	73	12.67	7.27
		10,000 MV	400	150	24.92	14.12
Brackets over 8 ft. and up to 16 ft. in length					1.72	--

- NOTES:**
1. Company Owned fixtures are those fixtures that the Company installs, owns, operates, and maintains.
 2. Customer Owned fixtures are those fixtures where the customer installs and maintains the lighting fixtures, and the Company approves the installation, operates the fixtures, and replaces Company standard lamps only.
 3. Listed kWhs reflect the assigned monthly energy usage for each type of fixture and are used to determine any applicable transmission, system benefit, distribution, energy and adjustment charges.
 4. HPS = High Pressure Sodium
 5. MH = Metal Halide
 6. LPS = Low Pressure Sodium
 7. FL = Fluorescent
 8. INC = Incandescent. Incandescent lighting charges are applicable and available only to those customers being served and those installations in service on April 21, 1983.
 9. MV = Mercury Vapor. Mercury Vapor lighting charges are applicable and available only to those customers being served and those installation in service on June 1, 1987 in accordance with A.R.S. §49-1104(A).



RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE

RATES (cont)

II. POLES

			RATES	
			Height	Company Owned
A. Anchor Base Mounted (Flush)	Round Steel	1 Simplex Adapter	12 ft.	\$12.17
			22 ft.	13.70
			25 ft.	14.82
			30 ft.	17.03
			32 ft.	17.89
	Round Steel	2 Simplex Adapters	12 ft.	12.98
			22 ft.	14.91
			25 ft.	15.55
			30 ft.	18.07
			32 ft.	19.28
	Square Steel	5"	13 ft.	13.95
			15 ft.	12.47
			23 ft.	14.79
			25 ft.	16.26
			28 ft.	18.05
			32 ft.	17.95
	Concrete		12 ft.	41.58
	Fiberglass		12 ft.	35.21
	Decorative Transit	4"	16 ft.	34.33
	Decorative Transit	6"	30 ft.	66.28
B. Anchor Base Mounted (Pedestal)	Round Steel	1 Simplex Adapter	12 ft.	11.71
			22 ft.	13.24
			25 ft.	14.35
			30 ft.	16.58
			32 ft.	17.41
	Round Steel	2 Simplex Adapters	12 ft.	12.51
			22 ft.	13.97
			25 ft.	15.08
			30 ft.	17.61
			32 ft.	18.81
		3 Bolt Arm	32 ft.	21.62
	Square Steel	5"	13 ft.	13.50
			15 ft.	13.80
			23 ft.	14.32
			25 ft.	15.80
			28 ft.	17.56
			32 ft.	18.23



RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE

RATES (cont)

II. POLES (cont)

		Height	RATES Company Owned
C. Direct Bury	Round Steel	19 ft.	\$18.42
		30 ft.	14.38
		38 ft.	17.55
	Self Step	40 ft.	21.62
		49 ft.	64.99
	Square Steel	4"	15.87
		5"	15.07
		30 ft.	15.71
		38 ft.	17.05
	Decorative Transit	41 ft. 6	20.47
	Decorative Transit	47 ft.	25.50
	Steel Distribution Pole (for lighting	35 ft.	23.54
D. Post Top	Decorative Transit Anchor Base	16 ft.	35.07
	Gray Steel/Fiberglass	23 ft.	12.16
	Black Steel	23 ft.	13.41
E. FROZEN		Wood Poles	
		30 ft.	\$8.95
		35 ft.	8.95
		40 ft.	12.73

- NOTES:
1. All distribution lines required to serve dusk to dawn facilities are owned by the Company.
 2. Monthly rates for all new Company owned poles include up to 100 feet of overhead secondary wire, or up to 100 feet of underground secondary line if customer provides earthwork and conduit (excluding the overhead to underground transition). Any additional wire required (over and above the first 100 feet provided) to install fixtures is subject to the additional monthly wire charges specified in Section IV.1 below.
 3. When adding lighting fixtures to an existing Company owned pole, any and all additional distribution wire required is subject to the additional monthly wire charges specified in Section IV.1 below.
 4. Any and all distribution wire required to serve lighting facilities placed on a customer owned pole, whether new or existing, is subject to the additional monthly wire charges specified in Section IV.1 below.

III. ANCHOR BASE

		Height	RATES Company Owned
A. Flush		4 ft.	\$9.91
		6 ft.	11.82
B. Pedestal		8 ft.	13.54
		For 32' Round Steel Pole only	4 ft. 6" 9.39



RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE

IV. RATES FOR OPTIONAL OR ADDITIONAL EQUIPMENT

	RATES
	Company Owned
1. Each 100 feet of overhead secondary wire, or each 100 feet of underground secondary wire if customer provides earthwork and conduit.	\$3.50
2. Additional maintenance charge for HPS lamp and luminaire that is not accessible by bucket truck.	2.80
3. Additional maintenance charge for MH lamp and luminaire that is not accessible by bucket truck.	6.04

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744 Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission No. XXXX .
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

SPECIAL PROVISIONS

1. The 4,000 and 7,000 lumen lamps use an open glass diffuser. All units are controlled by a photoelectric switch.
2. The customer is not authorized to make connections to the lighting circuits or to make attachments.



**RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE**

SPECIAL PROVISIONS (cont)

3. Should a customer request relocation of a dusk-to-dawn lighting installation, the costs of such relocation shall be paid by the customer.
4. The Company cannot guarantee that all dusk to dawn facilities will always operate as intended. Therefore, the customer will be responsible for notifying the Company when the dusk to dawn facilities are not operating as intended. The Company will use reasonable efforts to complete normal maintenance (replacement of lamps, photocontrols or fixtures) within ten (10) working days from notification by customer; however, if the maintenance requires cable replacement or repairs, the Company shall use reasonable efforts to complete said repairs within twenty (20) working days.
5. The customer's bill will not be reduced due to lamp, photocontrol or cable repair or replacement outages.
6. The customer may cancel a lighting service agreement by payment of the bill including the applicable tax adjustment, multiplied by the number of remaining months of the initial agreement, or the calculated installation and removal costs for the extension, whichever is lower.
7. Lighting equipment which is not specified in this rate schedule will be billed at the rates corresponding to the most similar equipment, as determined by the Company.

NON-STANDARD FACILITIES – CUSTOMER OWNED

When the customer requests any non-standard dusk-to-dawn lighting facilities (non-standard being defined as any equipment not listed in the Company's Transmission and Distribution Construction Standards book), the customer will own, operate and maintain all components to the system excluding the distribution facilities installed by the Company to serve the lighting system. Monthly bills rendered for non-standard facilities will be computed at the following rates, plus any adjustments incorporated in this schedule. KWh will be determined by the Company, based on the rated wattage of the lighting equipment and an estimated average hourly usage per month.

A.	Service Charge	\$3.35	per installed lamp per month
B.	Energy Charge	\$0.06345	per kWh per month

If, at the Company's discretion, the customer chooses to have the Company maintain the entire non-standard facility, the Company may require the customer to enter into a separate maintenance agreement which may be subject to additional charges mutually agreed upon by the Company and the customer.

CONTRACT PERIOD

All Dusk-to-Dawn lighting installations will require a written agreement for service for a minimum of three (3) years, or longer at Company's option.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-51
CLASSIFIED SERVICE
OPTIONAL ELECTRIC SERVICE FOR QF's OVER 100 kW**

This rate schedule is cancelled, effective January 1, 2010 per A.C.C. Decision No. 69663 and A.C.C. Decision No. XXXXX.



RATE SCHEDULE E-55
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE 3,000 kW OR GREATER

This rate schedule is cancelled, effective January 1, 2010 per A.C.C. Decision No. 69663 and A.C.C. Decision No. XXXXX.



RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE

AVAILABILITY

This rate schedule is available in those portions of cities, towns and unincorporated communities in which Company does a general retail electric business and where Company has installed a multiple or series street lighting system of adequate capacity for the service to be rendered.

APPLICATION

This rate schedule is applicable to service for lighting public streets, alleys, thoroughfares, public parks and playgrounds from dusk to dawn by use of Company's facilities where such service for the entire area is contracted for from the Company by the city, town, other governmental agencies, or a responsible individual for unincorporated communities. Dusk is defined as the time between sunset and full night when a photocontrol senses the lack of sufficient sunlight and turns on the lights. Dawn is defined as the time between full night and sunrise when a photocontrol senses sufficient sunlight to turn off lights.

RATES

The bill shall be computed at the following rates for each type of standard facility and/or service utilized to provide street lighting, plus any adjustments incorporated in this schedule:

I. FIXTURES (Includes Mounting Arm, if Applicable)

	Lumen	Watts	kWh	RATES	
				Investment by Company	Investment by Others
A. Acorn	9,500 HPS	100	41	\$ 27.06	\$9.22
	16,000 HPS	150	69	30.04	11.65
B. Architectural	9,500 HPS	100	41	15.38	7.34
	16,000 HPS	150	69	17.96	9.82
	30,000 HPS	250	99	21.31	12.60
	50,000 HPS	400	153	26.29	18.13
	14,000 MH	175	72	21.51	11.79
	21,000 MH	250	101	24.42	14.54
	36,000 MH	400	159	30.54	20.00
	8,000 LPS	55	30	22.35	9.82
	13,500 LPS	90	50	26.36	11.84
	22,500 LPS	135	72	30.11	14.45
	33,000 LPS	180	90	36.22	17.02
C. Cobra/Roadway	5,800 HPS	70	29	8.73	5.16
	9,500 HPS	100	41	10.28	6.32
	16,000 HPS	150	69	12.87	8.82
	30,000 HPS	250	99	15.52	11.46
	50,000 HPS	400	153	21.06	16.37



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

I. FIXTURES (Includes Mounting Arm, if Applicable) (cont):

FIXTURES (includes mounting arm, & appropriate/fixture)				RATES		
		Lumen	Watts	kWh	Investment by Company	Investment By Others
C. Cobra/Roadway (cont.)		14,000 MH	175	72	\$14.97	\$10.20
		21,000 MH	250	101	17.49	12.69
		36,000 MH	400	159	23.03	17.63
		8,000 FL	100	38	17.20	5.04
D. Decorative Transit		9,500 HPS	100	41	37.09	11.11
		16,000	150	69	36.88	12.41
		30,000	250	99	42.46	16.02
E. Flood		30,000	250	99	20.61	12.81
		50,000	400	153	25.56	17.77
		21,000 MH	250	101	22.00	13.53
		36,000 MH	400	159	26.82	18.35
F. Post Top	Colonial Gray	8,000 FL	100	38	18.54	5.23
		9,500 HPS	100	41	10.60	6.65
	Colonial Black	9,500 HPS	100	41	12.21	6.88
		Decorative	9,500 HPS	100	41	32.47
G. FROZEN		4,000 INC	295	103	\$9.78	\$5.47
		7,000 MV	175	73	12.67	7.27
		11,000 MV	250	96	15.87	9.68
		20,000 MV	400	150	24.92	14.12

NOTES:

- Investment by Company. These rates are applicable where the Company provides the initial investment to purchase and install all facilities necessary for street lighting service. The Company will own, operate, and maintain the street lighting system.
- Investment by Others. These rates are applicable in those instances where the requesting entity or individual purchases and installs the street lighting facilities at their own expense and in accordance with Company specifications. These rates will also apply in the instance where the customer provides a non-refundable advance to the Company to cover the Company's cost of purchasing and installing the street lighting system. The Company retains ownership of the street lighting system and provides operation and maintenance for all facilities.
- Listed kWhs reflect the assigned monthly energy usage for each type of fixture and are used to determine any applicable transmission, system benefit, distribution, energy and adjustment charges.
- HPS = High Pressure Sodium
- MH = Metal Halide
- LPS = Low Pressure Sodium
- FL = Fluorescent
- INC = Incandescent. Incandescent lighting charges are applicable and available only to those customers being served and those installations in service on November 1, 1986.
- MV = Mercury Vapor. Mercury Vapor lighting charges are applicable and available only to those customers being served and those installation in service on November 1, 1986 in accordance with A.R.S. §49-1104(A).



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

II. POLES

			RATES		
			Height	Investment by Company	Investment By Others
A. Anchor Base Mounted (Flush)	Round Steel	1 Simplex Adapter	12 ft.	\$12.17	\$1.68
			22 ft.	13.70	1.88
			25 ft.	14.82	2.05
			30 ft.	17.03	2.34
			32 ft.	17.89	2.37
		2 Simplex Adapters	12 ft.	12.98	1.79
			22 ft.	14.91	2.06
			25 ft.	15.55	2.14
			30 ft.	18.07	2.49
			32 ft.	19.28	2.66
	Square Steel	5"	13 ft.	13.95	1.92
			15 ft.	12.47	1.72
			23 ft.	14.79	2.03
			25 ft.	16.26	2.23
			28 ft.	18.05	2.48
32 ft.			17.95	2.47	
Concrete		12 ft.	41.58	5.73	
Fiberglass		12 ft.	35.21	4.85	
Decorative Transit Pedestrian		4"	16 ft.	34.33	4.73
Decorative Transit		6"	30 ft.	66.28	9.13
B. Anchor Base Mounted (Pedestal)	Round Steel	1 Simplex Adapter	12 ft.	11.71	1.61
			22 ft.	13.24	1.82
			25 ft.	14.35	1.98
			30 ft.	16.58	2.29
			32 ft.	17.41	2.40
		2 Simplex Adapters	12 ft.	12.51	1.72
			22 ft.	13.97	1.92
			25 ft.	15.08	2.07
			30 ft.	17.61	2.42
			32 ft.	18.81	2.59
		3 Bolt Arm	32 ft.	21.62	2.97
		Square Steel	5"	13 ft.	13.50
	15 ft.			13.80	1.89
	23 ft.			14.32	1.98
	25 ft.			15.80	2.19
	28 ft.			17.56	2.42
	32 ft.			18.23	2.50



RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE

II POLES (cont)

		RATES	
	Height	Investment by Company	Investment By Others
C. Direct Bury	Round Steel	19 ft.	\$18.42 \$2.54
		30 ft.	14.38 2.66
		38 ft.	17.55 2.73
	Self Support	40 ft.	21.62 3.42
	Stepped	49 ft.	64.99 8.96
	Square Steel	4"	34 ft. 15.87 2.75
		5"	20 ft. 15.07 2.49
		30 ft.	15.71 2.59
		38 ft.	17.05 2.96
	Decorative Transit	41 ft 6	20.47 3.01
	Decorative Transit	47 ft.	25.50 3.75
	Steel Distribution Pole (for lighting only)	35 ft.	23.54 3.10
D. Post Top	Decorative Transit Anchor Base	16 ft.	35.07 4.82
	Gray Steel/Fiberglass	23 ft.	12.16 2.00
	Black Steel	23 ft.	13.41 2.21
E. Existing distribution pole suitable for streetlight use		1.48	--
F. FROZEN	Wood Poles	30 ft.	\$8.95 \$1.55
		35 ft.	8.95 1.48

NOTE: The monthly rate for all new poles includes up to 300 feet of overhead secondary wire, or up to 300 feet of underground secondary wire if the customer provides earthwork and conduit (excluding the underground to overhead transition).

III. ANCHOR BASE

		RATES	
	Height	Investment by Company	Investment By Others
A. Flush	4 ft.	\$9.91	\$1.36
	6 ft.	11.82	2.05
B. Pedestal	8 ft.	13.54	2.36
	For 32' Round Steel Pole only	4 ft. 6"	9.39 1.63

IV. CHARGES FOR OPTIONAL OR ADDITIONAL EQUIPMENT

		RATES
		Company Owned
Underground Circuit Charges:		
a.	Per foot of cable, installed under paving	\$0.15716
b.	Per foot of cable, not installed under paving	0.05589



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744 Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission No. XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

SPECIAL PROVISIONS

1. Street lighting facilities installed under this rate schedule are of the type currently being furnished by Company as standard at the time service is initially requested. Standard facilities are those listed in the Company's Transmission and Distribution Construction Standards book.
2. The Company cannot guarantee that streetlighting facilities will always operate as intended. Therefore, the customer will be responsible for notifying the Company when the streetlighting facilities are not operating as intended. The Company will use reasonable efforts to complete normal maintenance (replacement of lamps, photocontrols or fixtures) within ten (10) working days from notification by customer; however, if the maintenance requires cable replacement or repairs, the Company shall use reasonable efforts to complete said repairs within twenty (20) working days.
3. The customer's bill will not be reduced due to lamp, photocontrol or cable repair or replacement outages.
4. Lighting equipment which is not specified in this rate schedule will be billed at the rates corresponding to the most similar equipment, as determined by the Company.



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

NON-STANDARD FACILITIES

Non-standard facilities (non-standard being defined as any facility not listed in the Company's Transmission and Distribution Construction Standards book) do not qualify for this rate schedule. At the Company's discretion, such facilities may be served under another of the Company's rate schedules.

EXTENSION OF STREET LIGHTING SYSTEM

The Company will extend its standard street lighting system up to a distance of 300 feet for each additional lighting installation without cost at the request of the customer. When the extension is underground the customer will provide earthwork as specified in Section 6.1.2 of the Company's Schedule 3, Conditions Governing Extensions of Electric Distribution Lines and Services; or, at the customer's request, the Company will provide such earthwork for a contribution in aid of construction equal to the cost of such earthwork. Any additional extension required (over and above the first 300 feet) will be provided by Company for a contribution in aid of construction equal to the cost of the additional extension.

Extensions to isolated areas requiring a substantial extension of the electric distribution system, as opposed to an extension of the street lighting system, will require a special study to determine the terms and conditions under which the Company will undertake such an extension.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



RATE SCHEDULE E-59
CLASSIFIED SERVICE
GOVERNMENT OWNED STREET LIGHTING SYSTEMS

AVAILABILITY

This rate schedule is available in those portions of cities, towns and unincorporated communities in which the Company does a general retail electric business and where the customer has installed or purchased a multiple or series street lighting system and the Company has distribution facilities of adequate capacity for the service to be rendered.

APPLICATION

This rate schedule is applicable to Standard Offer electric service for lighting public streets, alleys, thoroughfares, public parks and playgrounds from dusk to dawn by use of the customer's facilities where such service for the whole area is contracted for from the Company pursuant to the terms set forth herein by the city, town, other governmental entities, or a responsible individual for unincorporated communities. Dusk is defined as the time between sunset and full night when a photocontrol senses the lack of sufficient sunlight and turns on the lights. Dawn is defined as the time between full night and sunrise when a photocontrol senses sufficient sunlight to turn off lights.

The customer will own, operate, and maintain the street lighting system including lamps and glass replacements but excluding distribution facilities installed by the Company to serve the lighting system.

RATES

The bill shall be computed at the following rates plus any adjustments incorporated in this schedule:

Service Charge:	\$2.79	per installed lamp
Energy Charge:	\$ 0.06088	per kWh

ADJUSTMENTS

1. The bill is subject the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.



RATE SCHEDULE E-59
CLASSIFIED SERVICE
GOVERNMENT OWNED STREET LIGHTING SYSTEMS

ADJUSTMENTS (cont)

7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

SPECIAL PROVISIONS

1. Billed energy is based upon the summation of the contracted energy rating of installed facilities specified in the streetlighting contract.
2. The customer's bill will not be reduced due to lamp, photocontrol or cable repair or replacement outages.
3. Presently installed units which do not conform to the types specified in Rate Schedule E-58 will be billed in accordance with the type which is most nearly like such units.

EXTENSION OF COMPANY DISTRIBUTION SYSTEM

The Company will extend its standard street lighting system up to a distance of 300 feet for each additional lighting installation without cost at the request of the customer. When the extension is underground the customer will provide earthwork as specified in Section 6.1.2 of the Company's Schedule 3, Conditions Governing Extensions of Electric Distribution Lines and Services; or, at the customer's request, the Company will provide such earthwork for a contribution in aid of construction equal to the cost of such earthwork. Any additional extension required (over and above the first 300 feet) will be provided by Company for a contribution in aid of construction equal to the cost of the additional extension.

Extensions to isolated areas requiring a substantial extension of the electric distribution system, as opposed to an extension of the street lighting system, will require a special study to determine the terms and conditions under which the Company will undertake such an extension.

CONTRACT PERIOD

The contract period for service under this rate schedule shall be a fixed period of not less than 1 year and not more than 20 years, as agreed to by the customer and as specified in the streetlighting contract.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



RATE SCHEDULE E-67
CLASSIFIED SERVICE
MUNICIPAL LIGHTING SERVICE – CITY OF PHOENIX

AVAILABILITY

This rate schedule is available within the City of Phoenix at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service furnished for the lighting of alleys, buildings, and other public places owned or maintained by the City. Streetlighting service is not eligible for this schedule. Service to traffic signals is limited to those installations being served as of January 31, 1985, under the Agreement of April 4, 1930, as modified, between Central Arizona Light and Power Company and the City of Phoenix, and no new or reconnected traffic signal installations may be served after that time. Service must be supplied at one site through one point of delivery and measured through one meter. Direct Access service is not available under this rate schedule.

This schedule is not applicable to breakdown, standby, supplemental, or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage (as may be selected by customer, subject to availability at the customer's site).

RATES

The bill shall be computed at the following rate plus any adjustments incorporated in this schedule:

Energy Charge: \$ 0.05193 per kWh

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.



RATE SCHEDULE E-67
CLASSIFIED SERVICE
MUNICIPAL LIGHTING SERVICE – CITY OF PHOENIX

ADJUSTMENTS (cont)

2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



RATE SCHEDULE E-114
CLASSIFIED SERVICE – SHARE THE LIGHT
LOWER MIAMI AND CLAYPOOL STREET LIGHTING

AVAILABILITY

This rate schedule is available only in the area now known as Claypool and Lower Miami near Miami.

APPLICATION

This rate schedule is applicable to electric service billed under Rate Schedule E-58. All provisions of Rate Schedule E-58 will apply except as specifically modified herein.

Service under this rate schedule is limited to those street lights installed prior to April 8, 1980. The Company is not obligated to install new light fixtures, poles or distribution circuits, but will continue to maintain and operate those installed prior to April 8, 1980 only while maintenance and replacement materials are available from Company stock or until this rate schedule is cancelled, whichever comes first, provided, however, under no circumstances shall poles be relocated. Interfering poles shall only be removed. The Company is authorized to collect from the sponsoring entity any and all unpaid bills for street lighting service.

THE STREET LIGHTING SYSTEM

The Company has installed, at its own expense, a street lighting system as prescribed by the Tri-City Fire Department.

The Company agrees to submit all requests for increases or decreases in number or size of lamps, change in location, or like matters regarding Claypool and Lower Miami street lights to the Tri-City Fire Department for approval before any action is taken by the Company.

BILLING

Customers to be assessed for street lighting shall include all customers of Arizona Public Service Company located within the area now known as Claypool and Lower Miami comprising the following area: The NW 1/4 of Section 29; the NE 1/4, SW 1/4 of Section 29; the North half of NE 1/4, Section 29; the SE 1/4, SW 1/4, Section 20; the South half of SE 1/4, Section 20, the SW 1/4, SW 1/4 of Section 21; the East half of SW 1/4 of Section 21; the NW 1/4, NW 1/4, Section 28; all of Township 1 North, Range 15 East, of the G & SRB & M.

The monthly charge for street lighting is to be divided by a figure equal to the total number of residential customers for the month, plus three times the total number of commercial and industrial customers. The assessment is to be adjusted to the nearest cent. Each Claypool and Lower Miami residential customer is to be assessed the amount of the individual assessment as determined by the above method. Each Claypool and Lower Miami commercial and industrial customer is to be assessed three times the amount of individual assessment as determined by the above method. The above assessment will be added to the customer's monthly bill for service.

Only one meter in each business house is to be counted as a commercial or industrial customer and one meter in each residence as a residential customer, regardless of the number of meters installed on the customer's premises to serve any such commercial, industrial or residential customer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



RATE SCHEDULE E-116
CLASSIFIED SERVICE – SHARE THE LIGHT
CENTRAL HEIGHTS AND COUNTRY CLUB MANOR
STREET LIGHTING

AVAILABILITY

This rate schedule is available only in the area now known as Central Heights and Country Club Manor near Miami.

APPLICATION

This rate schedule is applicable to electric service billed under Rate Schedule E-58. All provisions of Rate Schedule E-58 will apply except as specifically modified herein.

Service under this rate schedule is limited to those streetlights installed prior to April 8, 1980. The Company is not obligated to install new light fixtures, poles or distribution circuits, but will continue to maintain and operate those installed prior to April 8, 1980 only while maintenance and replacement materials are available from Company stock or until this rate schedule is cancelled, whichever comes first, provided, however, under no circumstances shall poles be relocated. Interfering poles shall only be removed. The Company is authorized to collect from the sponsoring entity, any and all unpaid bills for street lighting service.

THE STREET LIGHTING SYSTEM

The Company has installed, at its own expense, a street lighting system as prescribed by the Central Heights Fire Department.

The Company agrees to submit all requests for increases or decreases in number or size of lamps, change in location, or like matters regarding Central Heights street lights to the Central Heights Fire Department for approval before any action is taken by the Company.

BILLING

Customers to be assessed for street lighting shall include all customers of Arizona Public Service Company located within the area now known as Central Heights, consisting of the SE 1/4 of Section 22, S 1/2 of NE 1/4 of Section 22 and the E 1/2 of SW 1/4 of Section 22, Township 1, Range 15 E., G & SRB & M and within the area now known as Country Club Manor, consisting of the entire S 1/2 of the NW 1/4 of Section 22, Township 1 N, Range 15 E., G & SRB & M.

The monthly charge for street lighting is to be divided by a figure equal to the total number of residential, commercial and industrial customers. The assessment is to be adjusted to the nearest cent. Each Central Heights and Country Club Manor residential, commercial and industrial customer will be assessed a like amount as determined by the above described method. The above assessment will be added to the customer's monthly bill for service.

Only one meter in each residence or business house is to be counted as a residential, commercial or industrial customer regardless of the number of meters installed on the customer's premises to serve any such residential, commercial or industrial customer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



RATE SCHEDULE E-145
CLASSIFIED SERVICE – SHARE THE LIGHT
AJO HEIGHTS STREET LIGHTING

AVAILABILITY

This rate schedule is available in the area now known as Ajo Heights near Ajo.

APPLICATION

This rate schedule is applicable to electric service billed under Rate Schedule E-58. All provisions of Rate Schedule E-58 will apply except as specifically modified herein.

Service under this rate schedule is limited to those streetlights installed prior to April 8, 1980. The Company is not obligated to install new light fixtures, poles or distribution circuits, but will continue to maintain and operate those installed prior to April 8, 1980 only while maintenance and replacement materials are available from Company stock or until this rate schedule is cancelled, whichever comes first, provided, however, under no circumstances shall poles be relocated. Interfering poles shall only be removed. The Company is authorized to collect from the sponsoring entity, any and all unpaid bills for street lighting service.

THE STREET LIGHTING SYSTEM

The Company has installed, at its own expense, a street lighting system as prescribed by the Ajo Heights Chamber of Commerce.

The Company agrees to submit all requests for increases or decreases in number or size of lamps, change in location, or like matters regarding Ajo Heights street lights to the Ajo Heights Chamber of Commerce for approval before any action is taken by the Company.

BILLING

For purposes of assessment, each Ajo Heights commercial or industrial customer is to be considered equivalent to six Ajo Heights residential customers. Ajo Heights customers to be assessed for street lighting shall include all residential, commercial, or industrial customers of the Company located within the following area:

The area known as Ajo Heights consisting of Section 10; the NW Quarter, the NE Quarter, and the SW Quarter of Section 15; the NW Quarter of the SE Quarter of Section 15; the West 450 feet of the SW Quarter of the SE Quarter of Section 15; the NW Quarter of Section 22; and the NW Quarter of the NW Quarter of Section 14; all located in T 12 S, R 6 W of the G & SRB & M.

The monthly charge for street lighting is to be divided by a figure equal to the total number of residential customers for the month, plus six times the number of commercial customers. This assessment is to be adjusted to the nearest cent. Each Ajo Heights residential customer is to be assessed the amount of the individual assessment as determined by the above method. Each Ajo Heights commercial customer is to be assessed six times the amount of the individual assessment as determined by the above method. The above assessment will be added to the customer's bill for service.

Only one meter in each business house is to be counted as a commercial customer and one meter in each residence as a residential customer, regardless of the number of meters installed on the customer's premises to serve any such commercial or residential customer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-221
CLASSIFIED SERVICE
WATER PUMPING SERVICE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service required for irrigation pumping or for water utilities for pumping potable water to serve the citizens of a city, town, or unincorporated community. Service must be supplied at one point of delivery and measured through one meter. Direct Access customers are not eligible for service under this schedule.

Rate selection is subject to paragraphs 3.2 and 3.3 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site.

RATES

The bill shall be computed at the following rates or minimum rates, whichever is greater, plus any adjustments incorporated in this schedule:

Basic Service Charge:	\$ 0.558	per day
Demand Charge:	\$ 1.880	per kW
Energy Charge:	\$ 0.11680	per kWh for the first 240 kWh, plus
	\$ 0.07940	per kWh for the next 275 kWh per kW, plus
	\$ 0.06519	per kWh for all additional kWh

OPTIONAL TIME-OF-WEEK PROVISION

AVAILABILITY

The Time-Of-Week option is available to all customers eligible for Rate Schedule E-221. The customer must enter into an Electric Supply Agreement with the Company stating the customer's assigned Control Period. The type of equipment required to provide and measure time-of-week service is non-standard; therefore availability is limited and the Company cannot guarantee installation of the equipment within any specific time.



**RATE SCHEDULE E-221
CLASSIFIED SERVICE
WATER PUMPING SERVICE**

RATES (cont)

OPTIONAL TIME-OF-WEEK PROVISIONS (cont)

CONTROL PERIOD

The Control Period is the thirteen (13) hour period from 9 a.m. to 10 p.m. for one day during the week (Monday through Friday). The specific day of the Control Period will be mutually agreed upon by the Company and the customer and will be set forth in the Electric Supply Agreement.

RATE

The bill for customers on the Time-Of-Week option will be adjusted in the following manner:

When measured kWh during the specified Control Period is:	The following will be applied to the bill (before any adjustments, taxes or assessments)
1. 2 kWh per kW or less	(0.00785) per kWh for all kWh
2. Greater than 2 kWh per kW but less than or equal to 8 kWh per kW	No adjustment
3. Greater than 8 kWh per kW	0.00393 per kWh for all kWh

MINIMUM

The bill for service under this rate schedule will not be less than \$0.558 per day plus \$1.88 for each kW of the highest kW established during the 12 months ending with the current month, or the minimum kW specified in the Electric Service Agreement, whichever is greater. However, such monthly minimum charge shall not be more than an amount sufficient to make the total charges for such 12 months equal to \$24.00 for each of such highest kW plus \$180.00, but in no instance more than the monthly minimum amount as computed above.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.



**RATE SCHEDULE E-221
CLASSIFIED SERVICE
WATER PUMPING SERVICE**

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the month, as determined from readings of the Company's meter, or at the Company's option, by test.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744, and Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

The contract period for customers receiving service under this rate schedule will be one (1) year or longer. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



RATE SCHEDULE E-221-8T
CLASSIFIED SERVICE
WATER PUMPING SERVICE – TIME-OF-USE

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service required for irrigation pumping or for water utilities for pumping potable water to serve the citizens of a city, town, or unincorporated community. Service must be supplied at one point of delivery and measured through one meter. Direct Access customers are not eligible for service under this schedule.

Rate selection is subject to paragraphs 3.2 and 3.3 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site.

RATES

The bill shall be computed at the following rates or minimum rate, whichever is greater, plus any adjustments incorporated in this schedule:

Basic Service Charge:	\$ 0.964	per day
Demand Charge:	\$ 4.474	per On-Peak kW, plus
	\$ 2.673	per Off-Peak kW
Energy Charge:	\$ 0.09576	per kWh during On-Peak hours, plus
	\$ 0.05151	per kWh during Off-Peak hours

MINIMUM

The bill for service under this rate schedule will not be less than \$0.964 per day plus \$2.673 for each kW of the highest kW established during on or off peak hours during the 12 months ending with the current month, or the minimum kW specified in the Electric Service Agreement, whichever is greater. However, such monthly minimum charge shall not be more than an amount sufficient to make the total charges for such 12 months equal to \$34.20 for each of such highest kW plus \$310.44, but in no instance more than the monthly minimum amount as computed above.



RATE SCHEDULE E-221-8T
CLASSIFIED SERVICE
WATER PUMPING SERVICE – TIME-OF-USE

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-conforming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-conforming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVa may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the On-Peak and Off-Peak periods during the month, as determined from readings of the Company's meter, or at the Company's option, by test.

TIME PERIODS

For the purpose of this rate schedule, the On-Peak time period is a consecutive eight (8) hour period between 9 a.m. and 10 p.m. each and every day. The specific On-Peak period will be mutually agreed upon by the Company and the customer and will be set forth in an Electric Supply Agreement. All hours not included in the specified On-Peak period are designated as Off-Peak hours. Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.



RATE SCHEDULE E-221-8T
CLASSIFIED SERVICE
WATER PUMPING SERVICE – TIME-OF-USE

ADJUSTMENTS (cont)

7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744, and Arizona Corporation Commission Decision No XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

The contract period for customers receiving service under this rate schedule will be one (1) year or longer. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



RATE SCHEDULE E-249
CLASSIFIED SERVICE – SHARE THE LIGHT
CAMP VERDE STREET LIGHTING

AVAILABILITY

This rate schedule is available only in the Town of Camp Verde.

APPLICATION

This rate schedule is applicable to electric service billed under Rate Schedule E-58. All provisions of Rate Schedule E-58 will apply except as specifically modified herein.

Service under this rate schedule is limited to those streetlights installed prior to April 8, 1980. The Company is not obligated to install new light fixtures, poles or distribution circuits, but will continue to maintain and operate those installed prior to April 8, 1980 only while maintenance and replacement materials are available from Company stock or until this rate schedule is cancelled, whichever comes first, provided, however, under no circumstances shall poles be relocated. Interfering poles shall only be removed. The Company is authorized to collect from the sponsoring entity, any and all unpaid bills for street lighting service.

THE STREET LIGHTING SYSTEM

The Company has installed, at its own expense, a street lighting system as prescribed by the Camp Verde Lions Club.

The Company agrees to submit all requests for an increase or decrease in number or size of street lights, change in location, change in assessment or like matters regarding Camp Verde street lights, to the Camp Verde Lions Club for approval. After recommendation by the Camp Verde Lions Club, such requests are to be submitted to the Arizona Corporation Commission for final approval before any action is taken by the Company.

RATES

For purposes of assessment, each Camp Verde commercial customer (not classified as rural) is to be considered equivalent to six Camp Verde residential customers. Camp Verde customers to be assessed for street lighting shall include all commercial and residential customers of the Arizona Public Service Company located within, and immediately adjacent thereto, the boundaries of the Military Reserve Addition, Blocks 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, 17, 18, and 19, of Camp Verde Townsite. Customers taking electric service outside of these districts shall be classified as Rural, and not subject to assessment for street lighting.

The monthly charge for street lighting is to be divided by a figure equal to the total number of residential customers for the month, plus six times the number of commercial customers. This assessment is to be adjusted to the nearest cent. Each Camp Verde residential customer is to be assessed the amount of the individual assessment as determined by the above method. Each Camp Verde commercial customer is to be assessed six times the amount of the individual assessment as determined by the above method. The above assessment will be added to the customer's bill for service.

Only one meter in each business house is to be counted as a commercial customer and one meter in each residence as a residential customer, regardless of the number of meters installed on the customer's premises to serve any such commercial or residential customer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

CLASSIFIED - RIDERS



SCHEDULE EPR-2
CLASSIFIED SERVICE
PURCHASE RATES FOR QUALIFIED FACILITIES
100 KW OR LESS FOR PARTIAL REQUIREMENTS

AVAILABILITY

This rate schedule is available in all territory served by the Company.

APPLICATION

This rate schedule is applicable to all cogeneration and small power production facilities with a nameplate continuous AC output power rating of 100 kW or less where the facility's generator(s) and load are located at the same premise and that otherwise meet qualifying status pursuant to Arizona Corporation Commission's Decision No. 52345 on cogeneration and small power production facilities. Applicable only to Qualifying Facilities electing to configure their systems as to require partial requirements service from the Company in order to meet their electric requirements.

TYPE OF SERVICE

Electric sales to the Company must be single or three phase, 60 Hertz, at one standard voltage as may be selected by the customer (subject to availability at the premises). The Qualifying Facility will have the option to sell energy to the Company at a voltage level different than that for purchases from the Company; however, the Qualifying Facility will be responsible for all incremental costs incurred to accommodate such an arrangement.

PAYMENT FOR PURCHASES FROM AND SALES TO THE CUSTOMER

Power sales and special services supplied by the Company to the customer in order to meet its supplemental or interruptible electric requirements will be priced at the applicable retail rate or rates.

The Company will pay the customer for any energy purchased as calculated on the standard purchase rate (see below).

MONTHLY PURCHASE RATE FOR EXCESS GENERATION

For customers with a 9 a.m. to 9 p.m. on-peak rate:

	Cents per kWh			
	Non-Firm Power		Firm Power	
	On-Peak ^{1/}	Off-Peak ^{2/}	On-Peak ^{1/}	Off-Peak ^{2/}
Summer Billing Cycles (May - October)	7.400	6.112	9.631	6.528
Winter Billing Cycles (November - April)	5.767	5.813	5.767	5.813

^{1/} On-Peak Periods: 9 a.m. to 9 p.m., weekdays or as reflected in the customer's otherwise applicable retail rate schedule

^{2/} Off-Peak Periods: All other hours

These rates are based on the Company's estimated avoided energy costs and will be updated annually.



SCHEDULE EPR-2
CLASSIFIED SERVICE
PURCHASE RATES FOR QUALIFIED FACILITIES
100 KW OR LESS FOR PARTIAL REQUIREMENTS

For customers with a 12 p.m. to 7 p.m. on-peak rate:

	Cents per kWh			
	Non-Firm Power		Firm Power	
	On-Peak ^{1/}	Off-Peak ^{2/}	On-Peak ^{1/}	Off-Peak ^{2/}
Summer Billing Cycles (May - October)	7.562	6.313	11.387	6.650
Winter Billing Cycles (November - April)	5.219	5.948	5.219	5.948

^{1/} On-Peak Periods: 12 p.m. to 7 p.m., weekdays or as reflected in the customer's otherwise applicable retail rate schedule

^{2/} Off-Peak Periods: All other hours

These rates are based on the Company's estimated avoided energy costs and will be updated annually.

For customers with an 11 a.m. to 9 p.m. on-peak rate:

	Cents per kWh			
	Non-Firm Power		Firm Power	
	On-Peak ^{1/}	Off-Peak ^{2/}	On-Peak ^{1/}	Off-Peak ^{2/}
Summer Billing Cycles (May - October)	7.550	6.158	10.228	6.538
Winter Billing Cycles (November - April)	5.620	5.872	5.620	5.872

^{1/} On-Peak Periods: 11 a.m. to 9 p.m., weekdays or as reflected in the customer's otherwise applicable retail rate schedule

^{2/} Off-Peak Periods: All other hours

These rates are based on the Company's estimated avoided energy costs and will be updated annually.

For residential customers served under a standard (non time-of-use) rate, the monthly purchase rate will equal the rate for customers served on a 12 p.m. to 7 p.m. on-peak rate. For all other customers served under a standard rate, the monthly purchase rate will equal the rate for customers served on an 11 a.m. to 9 p.m on-peak rate.

CONTRACT PERIOD

As provided for in any Supply /Purchase Agreement.



SCHEDULE EPR-2
CLASSIFIED SERVICE
PURCHASE RATES FOR QUALIFIED FACILITIES
100 KW OR LESS FOR PARTIAL REQUIREMENTS

DEFINITIONS

1. Partial Requirements Service - Electric service provided to a customer that has an interconnected generation system configuration whereby the output from its electric generator(s) first supplies its own electric requirements and any Excess Generation (over and above its own requirements at any point in time) is then provided to the Company. The Company supplies the customer's supplemental electric requirements (those not met by their own generation facilities). This configuration may also be referred to as the "parallel mode" of operation.
2. Excess Generation - Equals the customer's generation (kWh) in excess of their load at any point in time as metered by the Company. Excess Generation is computed for on-peak and off-peak billing periods.
3. Special Service(s) - The electric service(s) specified in this section that will be provided by the Company in addition to or in lieu of normal service(s).
4. Non-Firm Power - Electric power which is supplied by the Customer's generator at the Customer's option, where no firm guarantee is provided, and the power can be interrupted by the Customer at any time.
5. Firm Power - Power available, upon demand, at all times (except for forced outages) during the period covered by the Purchase Agreement from the customer's facilities with an expected or demonstrated reliability which is greater than or equal to the average reliability of the Company's firm power sources.
6. Time Periods - Mountain Standard Time shall be used in the application of this rate schedule. Because of potential differences of the timing devices, there may be a variation of up to 15 minutes in timing for the pricing periods.

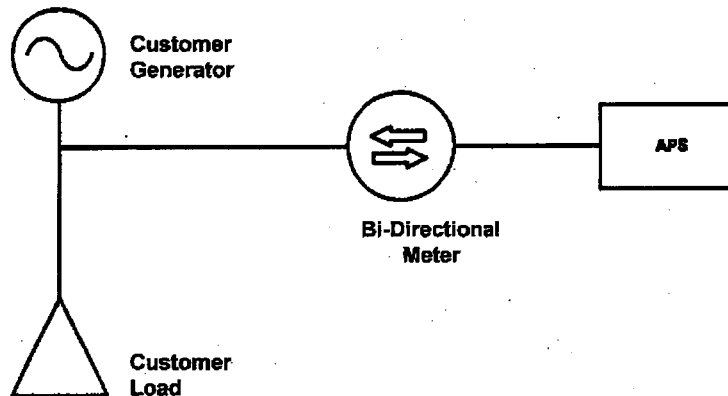
TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, Schedule 2, Terms and Conditions for Energy Purchases from Qualified Cogeneration or Small Power Production Facilities, and the Company's Interconnection requirements for Distributed Generation. This schedule has provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer interconnection or Supply/Purchase agreement.



**SCHEDULE EPR-2
CLASSIFIED SERVICE
PURCHASE RATES FOR QUALIFIED FACILITIES
100 KW OR LESS FOR PARTIAL REQUIREMENTS**

METERING CONFIGURATION





RATE SCHEDULE EPR-5
CLASSIFIED SERVICE
RATES FOR RENEWABLE RESOURCE FACILITIES
OF 100 kW OR LESS FOR PARTIAL REQUIREMENTS

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is offered as a three-year pilot program to renewable resource generation facilities with a nameplate service continuous output power rating of 100 kW or less where the customer's generator(s) and load are located at the same premise. Renewable resources eligible to participate in this pilot program include solar and other renewable resources, as defined in A.A.C. R14-2-1618 or other relevant Rules, as it may be modified or updated from time to time. This pilot program is capped at 15 MW of total renewable generation nameplate capacity and is conditioned upon continued and sufficient EPS funding. Participation under this schedule is subject to availability of enhanced metering and billing system upgrades. Any changes to the rate schedule will require approval by the Arizona Corporation Commission.

RECOVERY OF PROGRAM COSTS

Environmental Portfolio Surcharge (EPS) funding will be utilized to recover the metering costs and billing system modification cost. The net lost revenue associated with the pilot program will be deferred for future recovery and will be based on the difference between the retail rate and the Company's avoided cost and applied to the participants' excess generation.

TYPE OF SERVICE

Electric sales to the Company must be single phase or three phase, 60 Hertz, at one standard voltage as may be selected by customer (subject to availability at the premises).

SALES TO THE CUSTOMER

Power sales and special services supplied by the Company to the customer in order to meet the customer's supplemental or interruptible electric requirements will be priced at the Standard Retail Rate as may be selected by the customer. Refer to the Definitions section, No. 5, of this rate schedule to identify rate schedules that qualify for this pilot program.

RATE

Energy will not be purchased from the customer under this schedule; instead, the kWh of energy provided from the customer to the Company will be credited to the customer. Through the net metering method, the customer shall receive the full retail value of the energy components (charges assessed on a kWh basis) of their Standard Retail Rate for the power fed into the system from the customer-owned renewable resource generator(s).

For Non-Time-of-Use Rates:

For customers taking service under a Standard Retail Rate that is not a time-of-use rate, the Customer Supply (kWh) shall be credited against the Customer Purchase (kWh). The Customer's monthly bill shall be based on this net kWh amount. Any monthly Excess Generation will be credited on a kWh basis on the next monthly bill. Excess Generation credits will be carried over to subsequent months in a similar manner if necessary. However, Excess Generation credits remaining at the customer's last monthly bill rendered in the calendar year or at the time of a customer shut off will be zeroed out with no payment made to the customer.



RATE SCHEDULE EPR-5
CLASSIFIED SERVICE
RATES FOR RENEWABLE RESOURCE FACILITIES
OF 100 kW OR LESS FOR PARTIAL REQUIREMENTS

For Time-of-Use Rates:

For customers taking service under a Standard Retail Rate that is a time-of-use rate, the Customer Supply (kWh) during the on-peak hours shall be credited against the Customer Purchase (kWh) during the on-peak hours. Off-peak Customer Supply will be credited against off-peak Customer Purchase. The Customer's monthly bill shall be based on the net on-peak kWh and net off-peak kWh amounts. Any monthly Excess Generation during the on-peak hours will be credited on a kWh basis towards on-peak Customer Purchase on the next monthly bill. Likewise, off-peak Excess Generation will be credited towards off-peak Customer Purchase on the next monthly bill. Excess Generation credits will be carried over to subsequent months in a similar manner if necessary. However, Excess Generation credits remaining at the customer's last monthly bill rendered in the calendar year or at the time of a customer shut off will be zeroed out with no payment made to the customer.

Service under EPR-5 will require a bi-directional meter. One bi-directional meter will be provided to each participant at no additional charge. The incremental meter costs will be funded by ratepayers through the Environmental Portfolio Surcharge.

CONTRACT PERIOD

Any applicable contract period(s) will be set forth in an Agreement between the customer and the Company.

DEFINITIONS

1. Partial Requirements Service – Electric service provided to a customer that has an interconnected renewable resource generation system configuration whereby the output from its electric generator(s) first supplies its own electric requirements and any excess energy (over and above its own requirements at any point in time) is then provided to the Company. The Company supplies the Customer's supplemental electric requirements (those not met by their own generation facilities). This configuration may also be referred to as the "parallel mode" of operation.
2. Special Service(s) - The electric service(s) specified in this section that will be provided by the Company in addition to or in lieu of normal service(s).
3. Time Periods - Mountain Standard Time shall be used in the application of this rate schedule. Because of potential differences of the timing devices, there may be a variation of up to 15 minutes in timing for the pricing periods. On-peak and off-peak time periods will be determined by the Standard Retail Rate.
4. Pilot Program – The term of this pilot program is three years from the issuance of Decision No. 69663. If this experimental pilot rate schedule later becomes a standard Company rate schedule, the Company reserves the right to modify the rate schedule.
5. Standard Retail Rate – Any of the Company's retail rate schedules.
6. Customer Supply – Energy (kWh) from a qualifying customer-owned generator that exceeds the customer's load at a point in time and is fed back into the Company's electric system, as metered by the Company.
7. Customer Purchase – Energy (kWh) that is provided from the Company to the customer to serve the load that is not being served by the customer's qualifying generator, as metered by the Company.
8. Excess Generation – Equals the Customer Supply (kWh) less the Customer Purchase (kWh) over a monthly billing period. For time-of-use rates the Excess Generation is computed for on-peak and off-peak periods over the monthly billing period. (Not to be less than zero).

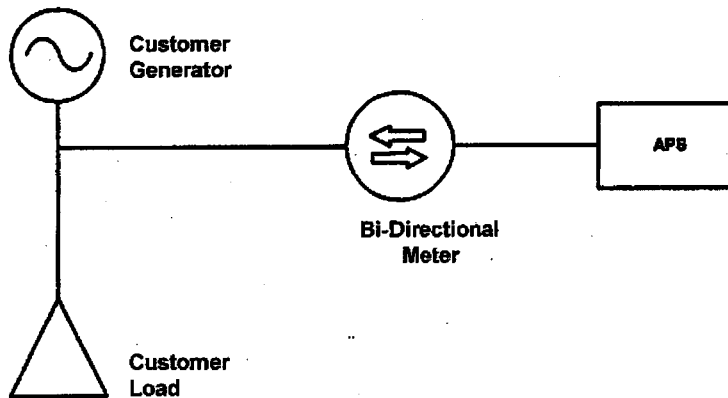


**RATE SCHEDULE EPR-5
CLASSIFIED SERVICE
RATES FOR RENEWABLE RESOURCE FACILITIES
OF 100 kW OR LESS FOR PARTIAL REQUIREMENTS**

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and Schedule 2, Terms and Conditions for Energy Purchases from Qualified Cogeneration or Small Power Production Facilities. This schedule has provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer interconnection or service agreement.

METERING CONFIGURATION





**RATE SCHEDULE EPR-6 (NET METERING)
CLASSIFIED SERVICE
RATES FOR RENEWABLE RESOURCE FACILITIES
FOR PARTIAL REQUIREMENTS**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is offered to customers with metered kWh usage with a Net Metering Facility that uses Renewable Resources, a fuel cell, or combined heat and power (CHP) to produce electricity. Definitions are pursuant to A.A.C. R14-2-2302. Participation under this schedule is subject to availability of enhanced metering and billing system upgrades.

DEFINITIONS

1. **Combined Heat and Power (CHP)** - A system that generates electricity and useful thermal energy in a single, integrated system such that the useful power output of the facility plus one-half the useful thermal energy output during any 12-month period must be no less than 42.5 percent of the total energy input of fuel to the facility.
2. **Customer Supply** -- Energy (kWh) from a customer-owned Net Metering Facility that exceeds the customer's load at a point in time and is fed back into the Company's electric system, as metered by the Company.
3. **Customer Purchase** -- Energy (kWh) that is provided from the Company to the customer to serve the load that is not being served by a customer-owned Net Metering Facility, as metered by the Company.
4. **Excess Generation** -- Equals the Customer Supply (kWh) less the Customer Purchase (kWh) over a monthly billing period. For time-of-use rates the Excess Generation corresponding to the on and off peak periods is computed for on-peak and off-peak periods over the monthly billing period. (Not to be less than zero).
5. **Fuel Cell** -- A device that converts the chemical energy of a fuel directly into electricity without intermediate combustion or thermal cycles. For purposes of this rate schedule, the source of the chemical reaction must be derived from Renewable Resources.
6. **Net Metering Facility** -- A facility for the production of electricity that:
 - a) Is operated by or on behalf of a Net Metering customer and is located on the net metering customer's premises and;
 - b) Is intended primarily to provide part or all of the net metering customer's requirement for electricity and;
 - c) Uses Renewable Resources, a fuel cell, or CHP to generate electricity and;
 - d) Has a generating capacity less than or equal to 125% of the net metering customer's total connected load, or in the absence of customer load data, capacity less than or equal to the customer's electric service drop capacity and;
 - e) Is interconnected with and can operate in parallel and in phase with the Company's existing distribution system.



**RATE SCHEDULE EPR-6 (NET METERING)
CLASSIFIED SERVICE
RATES FOR RENEWABLE RESOURCE FACILITIES
FOR PARTIAL REQUIREMENTS**

DEFINITIONS (cont)

7. **Partial Requirements Service** – Electric service provided to a customer that has an interconnected Net Metering Facility whereby the output from its electric generator(s) first supplies its own electric requirements and any excess energy (over and above its own requirements at any point in time) is then provided to the Company. The Company supplies the customer's supplemental electric requirements (those not met by their own generation facilities). This configuration may also be referred to as the "parallel mode" of operation.
8. **Renewable Resources** – Natural resources that can be replenished by natural processes, including; biogas, biomass, geothermal, hydroelectric, solar, or wind.
9. **Non-Firm Power** - Electric power which is supplied by the Customer's generator at the Customer's option, where no firm guarantee is provided, and the power can be interrupted by the Customer at any time.
10. **Firm Power** - Power available, upon demand, at all times (except for forced outages) during the period covered by the Purchase Agreement from the customer's facilities with an expected or demonstrated reliability which is greater than or equal to the average reliability of the Company's firm power sources.
11. **Standard Retail Rate Schedule** – Any of the Company's retail rate schedules with metered kWh charges.
12. **Time Periods** - Mountain Standard Time shall be used in the application of this rate schedule. Because of potential differences of the timing devices, there may be a variation of up to 15 minutes in timing for the pricing periods. On-peak and off-peak time periods will be determined by the applicable Standard Retail Rate Schedule.

TYPE OF SERVICE

Electric sales to the Company must be single phase or three phase, 60 Hertz, at one standard voltage as may be selected by customer (subject to availability at the premises).

BILLING

A. During the billing period for:

1. Customer Purchases in excess of Customer Supply:

Company shall bill the customer for the net kWh supplied by the Company in accordance with the applicable Standard Retail Rate Schedule.

2. Customer Supply in excess of Customer Purchases (Excess Generation):

Company shall credit the customer the Excess Generation kWh in subsequent billing periods.

- B. For customers taking service under time-of-use rates, Customer Supply and Customer Purchases will be segmented by on-peak and off-peak periods. Excess Generation kWh credits will be applied to the time-of-use periods in which the kWh were generated by the customer.**

- C. Basic Service Charges and Demand charges (either metered or contract) will continue to apply in full.**

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing

A.C.C. No. 5712
Rate Schedule EPR-6
Original
Effective: July 7, 2009



**RATE SCHEDULE EPR-6 (NET METERING)
CLASSIFIED SERVICE
RATES FOR RENEWABLE RESOURCE FACILITIES
FOR PARTIAL REQUIREMENTS**

BILLING (cont)

- D. For the last billing period of each calendar year or for the last billing period at the time the customer discontinues taking service under this rate schedule;

The Company shall issue a billing credit to the customer for any remaining Excess Generation balance. In the event the customer's electric service is terminated, after applying a billing credit for any Excess Generation up to the amount the customers owes the Company, the Company shall issue a check for the remaining value of the Excess Generation balance. The payment or credit will be determined at the Company's annual avoided costs (Annual Purchase Rate), which are updated annually and as specified below:

Annual Purchase Rates (\$/kWh)	Non-Firm			Firm		
	On-peak	Off-peak	Total	On-peak	Off-peak	Total
	6.590	5.963	6.187	7.714	6.172	6.722

CONTRACT PERIOD

Any applicable contract period(s) will be set forth in an Agreement between the customer and the Company.

METERING

Customers served under this rate schedule will require a bi-directional meter that will register and accumulate the net electrical requirements of the customer. The Company will install such a meter at the customer's Net Metering Facility if proper metering is not already present. The incremental metering costs for bidirectional metering and the facility meter will be incurred by the Company. A bidirectional meter may not be required if the generating capacity of the Net Metering Facility is less than 10% of the customer's lowest billing demand over the previous 12 months, or as otherwise determined by the Company through available information, and if the customer agrees that they do not intend to net any Excess Generation on their monthly bill.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1 Terms and Conditions for Standard Offer and Direct Access Services, Schedule 2 Terms and Conditions for Energy Purchases from Qualified Cogeneration or Small Power Production Facilities, Schedule 3 Conditions Governing Extensions of Electrical Distribution Lines and Services, and the Company's Interconnection Requirements for Distributed Generation.



**RATE SCHEDULE E-56
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and suitable voltage are adjacent to the premises served and when all applicable provisions described herein have been met.

APPLICATION

This rate schedule is applicable to Customers who obtain any part of their electric requirements from on-site generation equipment with a continuous nameplate rating of 100 kW or greater for other than emergency purposes requiring Supplemental and Back-up or Maintenance Power and energy from the Company. Direct access customers are not eligible for service under this rate schedule.

DEFINITIONS

1. **Back-up Contract Demand** - The specified demand, in kilowatts, of Back-up Power that the Customer contracts with the Company to supply and which the Company agrees to have available for delivery to the Customer. The Back-up Contract Demand shall be established by agreement between Customer and Company. The level of Back-up Contract Demand shall not exceed the total output capacity of the Customer's generation facilities.
2. **Back-up Power** - The kW of Back-up Contract Demand supplied by the Company to the Customer. Back-up Power shall be determined for each day of the Billing Period containing on-peak hours. The kW of Back-up Power each day shall be the kW for the fifteen (15) minute period of the Customer's greatest use of Back-up Power during the on-peak hours of the day. The Back-up Power for the Billing Period shall be the sum of the Back-up Power for each day of the Billing Period. For each fifteen minute period, Back-up Power shall equal the Measured Demand minus the Supplemental Contract Demand but shall not be less than zero nor greater than the Back-up Contract Demand.
3. **Billing Period** - The period of approximately thirty (30) days intervening between regular successive meter reading dates. There shall be twelve (12) billing periods per year.
4. **Excess Power** - Excess Power is power supplied by the Company to the Customer in excess of the Total Contract Demand. The kW of Excess Power for the Billing Period shall be the kW for the fifteen (15) minute period of the Customer's greatest use of Excess Power during the Billing Period. For each fifteen minute period, Excess Power shall equal the Measured Demand minus the Total Contract Demand but shall not be less than zero.
5. **Maintenance Power** - Electric power and energy made available by the Company to a Customer during the scheduled maintenance periods established in accordance with the provisions of this schedule to replace Back-up Power. Maintenance Power shall not exceed the Back-up Contract Demand.
6. **Measured Demand** - The fifteen (15) minute Demands (Power) in kilowatts as shown by or computed from the readings of the Power (Demand) meter located at the Company's point of delivery for on-peak and off-peak periods during the Billing Period.
7. **Measured Energy** - The electric energy in kilowatt-hours as shown by or computed from the readings of the kilowatt-hour meter located at the Company's point of delivery.



RATE SCHEDULE E-56
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE

DEFINITIONS (cont)

8. Supplemental Contract Demand - The specified demand in kilowatts of Supplemental Power that the Customer contracts with the Company to supply and which the Company agrees to have available for delivery to the Customer. The Supplemental Contract Demand shall be established by agreement between Customer and Company.
9. Supplemental Power - The kW of Supplemental Contract Demand supplied by the Company to the Customer. The kW of Supplemental Power for the Billing Period shall be the kW for the fifteen (15) minute period of the Customer's greatest use of Supplemental Power during the Billing Period. For each fifteen minute period, Supplemental Power shall equal the Measured Demand but shall not be less than zero nor greater than the Supplemental Contract Demand.
10. Total Contract Demand - The sum of the Supplemental Contract Demand and the Back-up Contract Demand.

MONTHLY RATES

The bill shall be the sum of the amounts computed below, including any applicable adjustments:

- A. Basic Service: The Basic Service and Revenue Cycle Service Charges included in the customer's applicable General Service rate schedule will apply each month.
- B. Supplemental Power and Associated Energy: Supplemental Power and Associated Energy will be provided in accordance with the rate levels contained in the customer's applicable General Service rate schedule, excluding the monthly Basic Service and Revenue Cycle Service Charges, and also excluding delivery charges associated with Back-up Contract Demand.
- C. Delivery Charges: The unbundled delivery charge contained in the customer's applicable General Service rate schedule multiplied by the amount of Back-up Contract Demand.
- D. Back-up Power Charges:

Rate Schedule E-34 Customer - On-Peak:	\$ 0.5756	per kW Day
Rate Schedule E-32 Customer - On-Peak:	\$ 0.1184	per kW Day
During Scheduled Maintenance:	One Half (1/2) On-Peak Charge	
Off Peak:	No Charge	

On-Peak Periods:	9 a.m. to 9 p.m., weekdays or as reflected in the customer's otherwise applicable retail rate schedule
------------------	--

Off-Peak Periods:	All other hours
-------------------	-----------------

The Power Charge for Back-up Power is billed on a per day basis and is based on the fifteen (15) minute period of the Customer's greatest use of Back-up Power during on-peak hours each on-peak day. For each fifteen minute period, Back-up Power shall equal the Measured Demand minus the Supplemental Contract Demand but shall not be less than zero nor greater than the Back-up Contract Demand.



**RATE SCHEDULE E-56
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE**

MONTHLY RATES (cont)

E. Excess Power Charges:

Secondary Service:	\$ 53.17	per kW
Primary Service:	\$ 50.47	per kW
Transmission Service:	\$ 37.05	per kW

- F. Back-up, Maintenance and Excess Energy:** All Back-up, Maintenance, and Excess Energy shall be billed in accordance with the rate levels contained in the customer's applicable General Service rate schedule.

MAINTENANCE REQUIREMENTS

Maintenance energy shall be defined as energy supplied to Customer to replace energy normally supplied by the Customer's generator(s) during an authorized Scheduled Maintenance period.

Maintenance periods shall not exceed 30 days per generation unit during any consecutive 12-month period and must be scheduled during the non-Summer billing months, as defined in the Customer's applicable general service rate schedule. Customer shall provide Company with its planned maintenance schedule 90 days in advance of any planned maintenance in order for the Company to coordinate customer's scheduled maintenance with that of the Company. Upon review, Company shall either approve customer's planned maintenance schedule or notify customer of alternate acceptable periods. Customer, in turn, shall notify the Company of an acceptable alternate maintenance period(s), and shall also confirm with the Company its intention to perform its planned maintenance 45 days prior to the actual commencement date of the planned maintenance period.

METERING

The Company will install, at the customer's expense, a bi-directional meter at the point of delivery to the customer (Supply Meter) and meter(s) at the point(s) of output from each of the customer's generators (Generator Meter) if required. All meters will record integrated demand and energy on the same 15- minute interval basis as specified by the Company.

TOTAL CONTRACT DEMAND, SUPPLEMENTAL CONTRACT DEMAND, AND BACK-UP CONTRACT DEMAND

The Customer shall contract for Total Contract Demand. This shall be the sum of the Supplemental Contract Demand and the Back-up Contract Demand. The Customer may elect to increase Total Contract Demand by increasing Supplemental Contract Demand and/or Back-up Contract Demand prospectively at any time, provided there are facilities of adequate capacity, by providing notice to the Company. Any increase in Total Contract Demand shall establish a new Total Contract Demand which shall be in effect for the term of the contract, unless superseded by subsequent increases in Total Contract Demand.

TERMINATION PROVISION

Should Customer cease to operate his generation unit(s) for 60 consecutive days during periods other than planned scheduled maintenance periods, Company reserves the option to terminate the Agreement for service under this rate schedule with Customer.



**RATE SCHEDULE E-56
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE**

CONTRACT PERIOD

As provided in the Electric Supply Agreement between Company and Customer.

UNUSUAL UTILITY OPERATING CONDITIONS

If the Company is in need of additional power requirements due to equipment failure or other unusual conditions, the Customer may provide excess generation to Company at Company's request. The Company will pay the Customer for any energy purchased at the per kWh monthly firm purchase rate which is negotiated on a case-by-case basis.

TERMS AND CONDITIONS

Customer must enter into an Agreement for Interconnection and an Electric Supply Agreement which shall establish all details related to interconnection and other required service standards. Qualifying Cogeneration and Small Power Production Facilities (QFs) meeting Public Utility Regulatory Policy Act of 1978 criteria shall be permitted to sell excess power and energy subject to the provisions and rates specified in a Purchase Supply Agreement between Company and Customer. Customers who install facilities that do not meet QF standards will not have the right to sell power and energy to Company under this rate schedule. However, should Customer desire to do so, Customer may seek to enter into a new Service Agreement which would set forth the applicable purchase rates, terms and conditions for interconnection and for the sale of excess power to the Company.



RATE SCHEDULE PPR PREFERENCE POWER RIDER

APPLICATION

This Rate Schedule PPR Preference Power Rider ("Schedule PPR") is applicable to all Standard Offer customers ("Customer") who receive a Firm Electric Service allocation of preference power ("Preference Power") from the Western Area Power Administration ("WAPA"), an agency of the U.S. Department of Energy. All provisions of Customer's current applicable rate schedule will apply in addition to this Schedule PPR. Schedule PPR may be used in conjunction with all non-residential rate schedules that have unbundled charges.

Schedule PPR is applicable to new Preference Power allocations received from WAPA after January 1, 2007. Customer must enter into an "Electrical Supply Agreement" for "Customers with Preference Power" ("Agreement") with the Company prior to receiving service under Schedule PPR.

DETERMINATION OF GENERATION NET POWER

The Company will provide delivery and transmission services for Customer's Total Power, and will provide generation services for the Customer's Net Power, according to the following definitions:

1. Total Power equals Customer's demand ("Total Demand") and energy ("Total Energy") for the billing period, as metered by the Company.
2. Preference Power equals the demand ("Preference Demand") and energy ("Preference Energy") from Customer's Firm Electric Service allocation for the billing period, as scheduled by the Company. Preference Power will be reduced for electrical losses as specified in the Agreement.
3. Net Power equals Total Power less Preference Power. Net Demand equals Total Demand less Preference Demand. Net Energy equals Total Energy less Preference Energy for the billing period. If Total Power is less than Preference Power for a billing period, then Net Power shall equal zero for the billing period.

RATES

Service under this rate schedule shall be billed according to Customer's current applicable rate schedule, except as follows:

1. The eligibility for placement on a rate schedule will be determined by Total Demand.
2. The unbundled generation kWh charges in Customer's current applicable rate schedule will be applied to the Net Energy used.
3. The determination of billing kW for generation services shall be based on Net Demand computed in accordance with the provisions of Customer's current applicable rate schedule. The determination of billing kW for transmission and delivery services shall be based on Total Demand computed in accordance with the provisions of Customer's current applicable rate schedule.
4. The kWh charges under Adjustment Schedule PSA-1 and Adjustment Schedule EIS will be applied to the Net Energy determination.
5. All other kWh and kW charges in Customer's current applicable rate schedule and any other applicable adjustment schedules will be applied to the Total Energy or Total Demand, as applicable.



**RATE SCHEDULE SP-1
CLASSIFIED SERVICE
SOLAR PARTNERS**

This rate schedule is cancelled effective January 1, 2010 per A.C.C. Decision No. 69663 and A.C.C. Decision No. XXXXX.



**RATE SCHEDULE SC-S
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS STANDARD CONTRACT - SOLAR**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the premises served and when all applicable provisions described herein have been met.

APPLICATION

Customers taking service under this rate schedule will be served in accordance with the attached template SC-S Electric Supply/Purchase Agreement between Company and Customer, which is incorporated herein by reference. This rate schedule is applicable to customers having solar/photovoltaic generation equipment with a nameplate service continuous rating of greater than 100 kW capable of supplying all or a portion of its power requirements. Direct access customers are not eligible for service under this rate schedule.

METERING

The Company will install, at the customer's expense, a bi-directional meter at the point of delivery to the customer (Supply Meter) and meter(s) at the point(s) of output from each of the customer's generators (Generator Meter). All meters will record integrated demand and energy on the same 15- minute interval basis as specified by the Company.

CONTRACT PERIOD

As provided in the SC-S Electric Supply/Purchase Agreement between Company and Customer.

TERMS AND CONDITIONS

Customer must enter into an Interconnection Agreement and the SC-S Electric Supply/Purchase Agreement to establish all pertinent details related to interconnection and other required service standards. APS will file the executed Electric Supply/Purchase Agreement in compliance with A.C.C. Decision No. 70130.



**RATE SCHEDULE SOLAR-2
CLASSIFIED SERVICE
INDIVIDUAL SOLAR ELECTRIC SERVICE**

AVAILABILITY

This rate schedule is available within the Company's service territory to customers who are requesting new service requiring a new line extension and are located in areas where a line extension for regular electric service is less economical than Individual Solar Electric Service. The Company has the right to refuse service at unsecured locations which in the Company's opinion is a high risk area for vandalism, theft, or other damage.

The customer's system must be in a location that is determined by the Company to be reasonably accessible by standard Company vehicles. It will be located on the customer's property. If the system is not installed at the customer's permanent residence (that at which the customer resides for at least six months a year) the customer may be required to post security as determined by the Company for the amount of the Solar Electric system Net Installed Cost.

Additionally, this rate schedule is applicable only to those customers being served on the Company's Rate Schedule SOLAR-2 prior to January 1, 2010.

This service is only available until the Company investment in the Individual Solar Electric Service reaches the ACC approved funding limit.

APPLICATION

The Company has the sole right to determine the customer's eligibility for service under this schedule. Service under this schedule is limited to solar electric systems with name plate ratings of 200 watts or greater and having a Net Installed Cost of more than \$1,500.

TYPE OF SERVICE

The Company will offer power generated by a Company owned and maintained Solar Electric system for customers who cannot be economically connected by extension of the Company's distribution system. The system typically will include a photovoltaic module array, the module array mounting structure, the control structure, the control equipment, any necessary wiring, batteries, and any other equipment necessary to provide service that meets all applicable building and safety codes at a mutually agreed upon point of delivery. The Company will own, maintain, and make any necessary repairs to the Solar Electric system. If the system is damaged or in need of repairs, the customer shall notify the Company promptly.

This service is a substitute for and is in lieu of the customer being connected to the Company's electric distribution system. Any back-up, supplemental, or alternate power generation source may be contracted for with the Company. The Company assumes no obligation to provide or arrange for such back-up, supplemental or alternative power unless it is part of the Solar Electric Service Agreement and not interconnected to the normal Company system. Any back-up power equipment must meet Company technical specifications, and be connected to the Solar Electric system only at a Company designated point.

INITIAL FEE

An Initial Fee equal to five percent or more of the estimated Total Installed Cost of the Solar Electric system is required from the customer at the time the Contract is executed. The Initial Fee will be deducted from the Total Installed Cost, starting with the system component with the longest life, to yield the Net Installed Cost by system component. The Initial Fee shall be non-refundable unless the Company subsequently determines that it will not install the Solar Electric system. The customer has the option to pay a higher initial fee to reduce the net installed cost of the system.



**RATE SCHEDULE SOLAR-2
CLASSIFIED SERVICE
INDIVIDUAL SOLAR ELECTRIC SERVICE**

INITIAL FEE (cont)

The minimum Initial Fee is:

Estimated Total Installed Cost

Minimum Initial Fee

Up to	\$100,000
More than	\$100,000

5%
10%

RATE

The total monthly bill is based on the type of system installed and the rate formula specified below. The exact charge will be specified in the service agreement entered into between the Company and the customer. Since each system is designed to meet the individual customer's specific needs, the rate will vary based on the following formula:

- A. Monthly service fee, dependent on battery type and system size:

Battery	System Size	
	Up to 2.5 kW	Over 2.5 kW
None	\$ 5.00	\$ 5.00
Sealed	\$45.00	\$65.00
Flooded	\$65.00	\$85.00

plus,

- B. Component Fee which is the summation of the Net Installed Cost by System Component times the appropriate Monthly Percentage. The monthly percentages listed are maximums that can not be reduced below marginal cost:

System Component		Straight Line Depreciation Life	Monthly Percentage
Type	Average Life		
Long	Greater than 13 years	20 Years	1.41%
Medium	Between 7 and 13 years	10 Years	1.83%
Short	Less than 7 years	5 Years	2.75%

plus,

- C. any applicable sales tax and regulatory assessments.

The Company may offer an accelerated payment schedule to accelerate equipment depreciation allowing the customer to purchase the system for a lower book value.



**RATE SCHEDULE SOLAR-2
CLASSIFIED SERVICE
INDIVIDUAL SOLAR ELECTRIC SERVICE**

TERMINATION OF SERVICE

Upon termination of service for any reason other than the Contract terms:

- a) The customer shall pay to the Company on demand (in addition to all other monies to which the Company may be legally entitled by virtue of such termination) a facility termination charge defined as the Net Installed Cost less depreciation (based on customer's payment selection), plus the removal cost less the market salvage value for the Solar Electric facilities to be removed. Market salvage value is defined as new reconstruction cost of the system less depreciation for the same time period as the existing system.
- b) Upon termination of service, either by the Company or the customer, the customer will have the option to purchase the Solar Electric facilities based on Company's Net Installed Cost less accumulated depreciation.

If the system is damaged because of vandalism, theft, or abuse the Company has the right to terminate service and remove the remaining equipment.

SYSTEM MODIFICATIONS

The Company will reasonably respond to customer requests for improvement to the performance of the Solar Electric system. However, the Company has the sole right to determine if and when a modification to the existing system shall be made. Such modification will be reflected in the customer's monthly bill with a Solar Electric Service Agreement modification. An initial fee of at least 5 percent of the total modification cost shall be required prior to installation. The initial fee is non-refundable unless the Company determines that the modification is not warranted.

The Company shall adjust the monthly bill by adding the Net Modification Cost to the existing Net Installed Cost to yield a revised Net Installed Cost that will hence forth be used to compute the monthly bill. The Net Modification Cost will be equal to the total modification cost less the Initial Fee for the modification. The Company shall provide the customer the revised Net Installed Cost and monthly billing with the revised or amended Solar Electric Service Agreement.

CONTRACT PERIOD

Any applicable contract period will be set forth in the Solar Electric Service Agreement.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE SOLAR-3
CLASSIFIED SERVICE
SOLAR POWER PILOT PROGRAM**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served. The Solar Power Pilot Program is offered as a three-year pilot program and is available to residential standard offer customers who wish to purchase electricity generated from solar sources for their homes. The Company will procure or construct new solar generation resources to provide service under Schedule Solar-3. The Company shall limit participation in Schedule Solar-3 based on the amount of solar generation resources available.

A customer may only subscribe to one green power or solar rate option. Schedule Solar-3 may not be used in conjunction with rate schedules GPS-1, GPS-2, or Solar-2.

APPLICATION

Service under this schedule provides all or a portion of the customer's service from solar electric generating systems producing AC electricity and delivered via APS' electric power grid. All provisions of the Customer's current applicable rate schedule will apply, including the unbundled generation components as applied to the Customers total monthly energy consumption. However, the charges in Adjustment Schedule EIS and Adjustment Schedule RES will not apply to the Solar Power Energy (kWh) served in accordance with Schedule Solar-3, up to 100% of the customer's total monthly kWh supplied by the Company. The customer is required to subscribe for a minimum term of one year. Direct Access customers are not eligible for service under this rate schedule.

SERVICE CHARGES

The customer shall be charged a Solar Power Premium Rate for all Solar Power Energy (kWh) served under this rate schedule. The Solar Power Premium Rate shall be the Solar Power Price, which represents the Company's price for Solar Power used to serve this rate schedule credited for the Avoided Cost, which represents the Company's associated savings in generation costs. The Solar Power Premium Rate shall be applied to the Solar Power Energy on a monthly basis.

Solar Power Price:	\$0.225 per kWh
Avoided Cost Credit:	<u>\$0.059 per kWh</u>
Solar Power Premium Rate:	\$0.166 per kWh

Solar Power Energy shall be a percentage of the customer's total monthly energy (kWh) supplied by the Company. Four options are available:

- A. Solar Power shall account for 100.0% of the customer's total monthly energy supplied by the Company.
- B. Solar Power shall account for 50.0% of the customer's total monthly energy supplied by the Company.
- C. Solar Power shall account for 35.0% of the customer's total monthly energy supplied by the Company.
- D. Solar Power shall account for 10.0% of the customer's total monthly energy supplied by the Company.

TERMS AND CONDITIONS

Subject to Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contain provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ADJUSTMENTS



ADJUSTMENT SCHEDULE CRCC-1
COMPETITION RULES COMPLIANCE CHARGE

APPLICATION

The Competition Rules Compliance Charge ("CRCC") shall apply to all retail Standard Offer or Direct Access service, excluding Solar-2. All provisions of the customer's applicable rate schedule will apply in addition to this charge.

RATE

The adjustment shall be calculated at the following rate:

CRCC

All kWh

\$0.000338

per kWh

ADDITIONAL REQUIREMENTS

In Decision No. 67744 the A.C.C. authorized the Company to recover over five years the costs of complying with the A.C.C. Electric Competition Rules that had been deferred through December 31st, 2004. Such recovery is in accordance with the method described in the filed Competition Rules Compliance Charge Plan for Administration. The CRCC will be canceled once the amount allowed by Decision No. 67744 is recovered or five years after the implementation of this rate schedule, whichever occurs first.



ADJUSTMENT SCHEDULE DSMAC-1
DEMAND SIDE MANAGEMENT COST ADJUSTMENT

APPLICATION

The Demand Side Management Adjustment Charge ("DSMAC") shall be applied monthly to every metered and/or non-metered retail Standard Offer or Direct Access service with the exception of customers served on rate schedules E-3 and E-4, and Solar-2. All provisions of the customer's currently applicable rate schedule will apply in addition to this adjustment charge. The DSMAC is applied to Standard Offer or Direct Access customer's bills as monthly charge to recover the cost of Commission approved demand side management programs above those costs included in base rates. The DSMAC will be changed in billing cycle 1 of the March revenue month and will not be prorated. The DSMAC and the RES adjustors may be combined on the customer's bill and appear on the "Environmental Benefits Surcharge" line. Details of how the DSMAC is derived and administered can be found in the Demand Side Management Adjustment Charge Plan for Administration.

RATE

The charge shall be calculated at the following rate:

For all residential customers and general service customers whose billing does not include demand charges:

All kWh	\$0.000605	per kWh
---------	------------	---------

For general service customers whose billing includes demand charges:

All metered kW	\$0.273328	per kW
----------------	------------	--------



ADJUSTMENT SCHEDULE RES RENEWABLE ENERGY STANDARD

APPLICATION

The Renewable Energy Standard ("RES") Adjustor shall apply to all retail Standard Offer or Direct Access service, excluding kWhs served in accordance with rate schedules Solar-2, Solar-3, and Adjustment Schedules GPS-1, GPS-2, and GPS-3. All provisions of the customer's current applicable rate schedule will apply in addition to the RES Adjustor. From time to time, the RES program spending requirements will be evaluated and if necessary the charge and/or caps may be modified by the Commission. Any new charges/caps will be applied in billing cycle 1 beginning in the month following Commission approval in A.C.C. Decision No. 70654 and will not be prorated. Details regarding the administration of this Adjustor can be found in A.A.C. R14-2-1808. The RES Adjustor and the Demand Side Management Adjustor may be combined on the customer's bill and shown on the "Environmental Benefits Surcharge" line.

RATES

The bill shall be calculated at the following rates:

All kWh	\$0.008662	per kWh
---------	------------	---------

SURCHARGE LIMITS

The monthly total of the Renewable Energy Standard Adjustment Charge shall not exceed the following limits:

Residential Customers	\$3.46	per service per month
Non-residential Customers	\$128.70	per service per month
Non-residential Customers with demand of 3,000 kW or higher per month for three consecutive months	\$386.10	per service per month



ADJUSTMENT SCHEDULE SDR SELF-DIRECTED RENEWABLE RESOURCES

APPLICATION

Pursuant to Arizona Administrative Code ("A.A.C.") R14-2-1809, Adjustment Schedule Self-Directed Renewable Resources ("SDR") shall apply to any retail Standard Offer or Direct Access customers who, as a result of regular Company monthly billings, pay \$25,000 or more during a calendar year to the Company under Adjustment Schedule RES, Renewable Energy Standard ("RES"), which was approved by the Arizona Corporation Commission ("ACC") in Decision No. 70313.

ELIGIBILITY REQUIREMENTS

1. Funding Eligibility:

- a. The customer is eligible to receive funds pursuant to this schedule if the total of all RES related payments made to the Company for the customer's service account or accounts, individually or collectively, total \$25,000 or more in any one calendar year (January – December).
- b. Funds collected from the customer in any one year (the "Payment Year") will be available to the customer for self-directed projects in the following year (the "Funding Year"). Funds received during the Funding Year will not exceed payments collected by the Company in the Payment Year. In addition, if the customer has facilities in multiple service territories, only those payments collected by the Company are eligible for SDR funding.
- c. Customers requesting funds for self-directed projects must declare their intention by applying in writing to the Company on or before March 31 of the Payment Year. The application must include a description of the proposed project and its expected cost.
- d. The customer shall provide at least half of the funds necessary to complete the proposed project, as required by A.A.C. R14-2-1809.B.

2. Project Eligibility:

- a. SDR funds obtained by the customer from the Company may only be used for projects physically located within the Company's service territory.
- b. Projects specified in the Company's Distributed Energy Administration Plan ("DEAP") are eligible for SDR funding. Self-direct requesting customers must request incentives no greater than the prescribed incentives specified in the DEAP. If the customer wishes to apply funds to a project not specified in the DEAP, the customer must submit documentation detailing project economics and funding requirements.
- c. Any project proposed by the customer must meet the requirements for a Distributed Renewable Energy Resource described in the ACC's Renewable Energy Standard Rules (A.A.C. R14-2-1802.B).
- d. For purposes of financing SDR projects, funds provided by the Company may be assigned to third parties. Such assignment will be at the customer's sole discretion. The Company assumes no liability for third-party assigned funds.

RENEWABLE ENERGY CREDITS

All Renewable Energy Credits derived from any project funded through this schedule, including generation and Extra Credit Multipliers, shall be applied to satisfy the Company's Annual Renewable Energy Requirement as provided for in A.A.C. R14-2-1809.C.



ADJUSTMENT SCHEDULE PSA-1
POWER SUPPLY ADJUSTMENT

APPLICATION

The Power Supply Adjustment ("PSA") shall apply to all retail electric rate schedules in accordance with their terms with the exception of Solar-2, E-3, E-4, E-36 and Direct Access service. All provisions of the customer's current applicable rate schedule will apply in addition to this charge.

RATES

The charges shall be calculated at the following rates:

PSA Historical Component

All kWh	\$(0.001816)	per kWh
---------	--------------	---------

PSA Forward Component

All kWh	\$(0.002674)	per kWh
---------	--------------	---------

PSA Transition Component

All kWh	\$0.000000	per kWh
---------	------------	---------



ADJUSTMENT SCHEDULE RCDAC-1 RETURNING CUSTOMER DIRECT ACCESS CHARGE

APPLICATION

The Returning Customers Direct Access Charge ("RCDAC") shall apply to customers, or an aggregated group of customers, of 3 MW or greater who left Standard Offer or special contract service for competitive generation suppliers and desire to return to Standard Offer service. Customers that have been Direct Access customers since the origination of their APS service that request Standard Offer service are considered to be returning customers. The RCDAC can only be applied if the customer(s) wants to return to Standard Offer service and the Company did not include their load in planned resource acquisitions. If APS is provided one year's advance notice of the customer's intent to return to Standard Offer service then they will not be assessed RCDAC. APS may create a special RCDAC in each individual case and require the customer(s) to enter into a service agreement that specifies the charge, its duration, and how it will be applied and collected. In situations where an aggregated group of customers wish to return, each customer from the group will be charged the same rate for the same duration and an Electric Service Agreement will be required from each customer. All provisions of the customer's current applicable rate schedule will apply in addition to this charge.

RATE

The charge will be identified in the Electric Service Agreement between the Customer and the Company and will be in addition to the Standard Offer service charges. The RCDAC will be based on the cost differential between the applicable Standard Offer rate generation component and the cost of the resources required to serve the returning customer(s). The costs associated with serving customers that are required to enter into RCDAC agreements will be kept separate from the retail power supply costs subject to recovery through the Power Supply Adjustment. The types of costs that will be used to develop the RCDAC are incremental Power Supply, Transmission, Ancillary Services and Metering costs as defined in the Returning Customer Direct Access Charge Plan for Administration. These costs will be amortized over an appropriate period to allow their timely recovery. In no event, however, will the RCDAC last longer than 12 months for any individual customer.



ADJUSTMENT SCHEDULE TCA-1 TRANSMISSION COST ADJUSTMENT

APPLICATION

The Transmission Cost Adjustment ("TCA") charge shall apply to all Standard Offer retail electric schedules, with the exception of Solar-2. All provisions of the customer's current applicable rate schedule will apply in addition to this charge.

ANNUAL ADJUSTMENT

Standard Offer rate schedules covered by this charge include a transmission component of base rates that was originally established at \$0.00476 per kilowatt-hour in accordance with A.C.C. Decision No. 67744. Decision No. 67744 also established the TCA. Decision No. 69663 modified the collection of transmission costs in retail rates to tie to the costs found in the FERC approved Open Access Transmission Tariff.

RATE

The charge shall be applied as follows:

Customer Class	TCA Charge
Residential	\$0.002258/kWh
General Service 20 kW or less	\$0.001889/kWh
General Service over 20 kW, under 3,000 kW	\$0.902/kW
General Service 3,000 kW and over	\$0.225/kW



ADJUSTMENT SCHEDULE EIS ENVIRONMENTAL IMPROVEMENT SURCHARGE

APPLICATION

The Environmental Improvement Surcharge ("EIS") shall apply to all retail Standard Offer service, excluding kWh served in accordance with rate schedules Solar-2, Solar-3, GPS-1, GPS-2 and GPS-3. All provisions of the customer's current applicable rate schedule shall apply in addition to charges under this Adjustment Schedule EIS.

The EIS was approved by the Arizona Corporation Commission ("ACC") in Decision No. 69663.

The EIS recovers the cost associated with investment and expenses for environmental improvements at APS' generation facilities that the ACC has approved for recovery. Approved environmental improvements include those implemented on or after January 1, 2004, for which costs have not been fully recovered under current approved rates, ongoing environmental improvement projects and environmental improvement projects designed to comply with prospective environmental standards required by federal, state, tribal, or local laws or regulations.

RATE

The charge shall be calculated at the following rate:

EIS

All kWh

\$0.00016 per kWh



ADJUSTMENT SCHEDULE GPS-1 GREEN POWER BLOCK SCHEDULE

APPLICATION

Adjustment Schedule GPS-1 ("GPS-1") shall be applied to Standard Offer customers who wish to purchase electricity generated from renewable sources for their homes and/or businesses. All provisions of the customer's current applicable rate schedule will apply in addition to this surcharge. However, the charges in Adjustment Schedule EIS and Adjustment Schedule RES, or successor schedules as approved by the Arizona Corporation Commission, will not apply to the Green Power kWh served in accordance with GPS-1, up to 100% of the customer's total monthly kWh supplied by the Company.

Electricity from renewable sources shall be referred to herein as "Green Power". Green Power may be:

1. Company-owned generation using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).
2. Generation not owned by the Company, but owned by another party for which the Company has contracted using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).

TYPE OF SERVICE

The Company will offer electricity generated from renewable resources delivered through the Company's electric distribution system.

Effective October 1, 2009 the Company, at its discretion, may limit the number of kWh blocks sold to any one customer to no more than five percent of total Green Power procured for service under schedules GPS-1, GPS-2, and GPS3.

The customer shall subscribe for a specific number of blocks of electricity generated from renewable resources. Each block shall equal 100 kWh per month. The monthly charge is based upon the number of blocks subscribed for by the customer.

The Company shall limit the participation in GPS-1 based on the Green Power available to provide service under this rate schedule.

Customers are required to subscribe for a minimum of one year, but can commit to subscribe for a longer period at their discretion. Charges under this schedule will be adjusted annually with Commission approval. Customers may cancel GPS-1 service if the charges increase during the one year or longer commitment period.

GPS-1 may not be used in conjunction with rate schedules GPS-2, Solar-2, or Solar-3.

SERVICE CHARGES

Service under this rate schedule shall be billed the Green Power Block rate of \$0.40 per month for each 100 kWh block of Green Power. This charge is based on the Green Power Premium rate of \$0.004 per kWh of Green Power times 100 kWh.



ADJUSTMENT SCHEDULE GPS-2 GREEN POWER PERCENT SCHEDULE

APPLICATION

Adjustment Schedule GPS-2 ("GPS-2") shall be applied to Standard Offer customers who wish to purchase electricity generated from renewable sources for their homes and/or businesses. All provisions of the customer's current applicable rate schedule will apply in addition to this surcharge. However, the charges in Adjustment Schedule EIS and Adjustment Schedule RES, or successor schedules as approved by the Arizona Corporation Commission, will not apply to the Green Power kWh served in accordance with GPS-2, up to 100% of the customer's total monthly kWh consumption.

Electricity from renewable sources shall be referred to herein as "Green Power". Green Power may be:

1. Company-owned generation using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).
2. Generation not owned by the Company, but owned by another party for which the Company has contracted using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).

TYPE OF SERVICE

The Company will offer Green Power through the Company's electric distribution system.

Effective October 1, 2009 the Company, at its discretion, may limit the kWh sold to any one customer to no more than five percent of total Green Power procured for service under schedules GPS-1, GPS-2, and GPS-3. The Company shall limit the participation in GPS-2 based on the Green Power available to provide service under this rate schedule.

Customers are required to subscribe for a minimum of one year, but can commit to subscribe for a longer period at their discretion. Charges under this schedule will be adjusted annually with Commission approval. Customers may cancel GPS-2 service if the charges increase during the one year or longer commitment period.

GPS-2 may not be used in conjunction with rate schedules GPS-1, Solar-2, and Solar-3.

SERVICE CHARGES

Four options are available. The charges hereunder represent charges to be added to energy charges (\$/kWh basis) under the customer's applicable rate schedule and applied to the customer's total monthly kWh (including non-Green Power kWh, if any) supplied by the Company. The charges are based on the Green Power Premium rate of \$0.004 per kWh of Green Power.

- A. Green Power shall account for 100.0% of the total monthly kWh supplied by the Company.
Additional Charge per kWh: \$0.004
- B. Green Power shall account for 50.0% of the total monthly kWh supplied by the Company.
Additional Charge per kWh: \$0.002
- C. Green Power shall account for 35.0% of the total monthly kWh supplied by the Company.
Additional Charge per kWh: \$0.0014
- D. Green Power shall account for 10.0% of the total monthly kWh supplied by the Company. This option is not available to residential customers.
Additional Charge per kWh: \$0.0004



**ADJUSTMENT SCHEDULE GPS-3
GREEN POWER BLOCK SCHEDULE
FOR SPECIAL EVENTS**

APPLICATION

Adjustment Schedule GPS-3 ("GPS-3") shall be applied to Standard Offer customers who wish to purchase electricity generated from renewable sources for their Green Event. A Green Event is temporary in nature and includes, but is not limited to, concerts, sporting events, festivals, fairs, which can be held over single or contiguous multiple days at single or multiple sites. All provisions of the customer's current applicable rate schedule will apply in addition to this surcharge. However, the charges in Adjustment Schedule EIS and Adjustment Schedule RES, or successor schedules as approved by the Arizona Corporation Commission, will not apply to the Green Power kWh served in accordance with GPS-3, up to 100% of the customer's total monthly kWh supplied by the Company. For purposes of this adjustment, the total Green Power kWh will apply in the month they are purchased.

Electricity from renewable sources shall be referred to herein as "Green Power." Green Power may be:

1. Company-owned generation using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).
2. Generation not owned by the Company, but owned by another party for which the Company has contracted using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).

TYPE OF SERVICE

The Company will offer electricity generated from renewable resources delivered through the Company's electric distribution system.

The Company shall limit the participation in GPS-3 based on the Green Power available to provide service under this rate schedule.

The Company, at its discretion, may limit the number of kWh blocks sold to any one customer to no more than five percent of total Green Power procured for service under schedules GPS-1, GPS-2 and GPS-3.

Each block shall equal 100 kWh subscribed for by the customer.

Charges under this schedule will be adjusted annually with Commission approval.

Because rate schedule GPS-3 is for a temporary event, Section 3.3 of APS' Schedule 1 shall not apply.

SERVICE CHARGES

Service under this rate schedule shall be billed the Green Power Block rate of \$0.40 for each 100 kWh block of Green Power for the duration of the special event. This charge is based on the Green Power Premium rate of \$0.004 per kWh of Green Power times 100 kWh. Minimum purchase shall be \$500.00 per transaction.



ADJUSTMENT SCHEDULE IR-1
INTERIM ADJUSTMENT

This rate schedule is cancelled effective January 1, 2010 per A.C.C. Decision No. 70667 and A.C.C. Decision No. XXXXX.



CLASSIFICATION OF SERVICES

A. RESIDENTIAL SERVICE

1. Residence - Single

Residential service to a single residence covers electric service to a private residence or individually metered apartment unit, only.

Outbuildings on the same premises may be connected to the residential service meter, but only if such outbuildings form a part of the general living establishment.

2. Residence - Multiple

Residential service to two or more residences on the same premises or a residence or residences subdivided into two or more individual housekeeping apartments shall not be supplied through one meter on a Residential Service Rate Schedule.

Individual meters will be installed by the Company for each individual dwelling or housekeeping unit. If, for any reason, a separate meter is not installed for each individual dwelling or housekeeping unit, then the appropriate General Service Rate Schedule will be used for billing for the service supplied through the single meter.

3. Professional Offices or Commercial Activities in Dwellings

The supply of service under a Residential Rate Schedule to a dwelling involving some business or professional activity will be permitted only where such activity is of only occasional occurrence, or where the energy used in connection with such activity is small in amount and used only by equipment which would normally be in use if the space were used as living quarters.

Where the portion of a dwelling is used regularly for business, professional or other gainful purposes, and any considerable amount of electricity is used for other than domestic purposes, or electric equipment not normally used in living quarters is installed in connection with such activities referred to above, the entire premises shall be classified as non-residential and the appropriate General Service Rate Schedule shall be applied. Customer may at his option provide separate circuits so that the residential uses can be metered and billed separately under the appropriate Residential Service Rate Schedule, and the other uses under the appropriate General Service Rate Schedule.

4. Farm and Rural Residences

The Residential Service Rate Schedules are available for electric service through one meter to a farm residence, and the usual farm uses outside the dwelling unit, but not if the use extends to operations such as canning plants, packing plants, stone quarries, ice cream manufacturing plants, stores, restaurants, tea rooms, tourist and trailer camps, gasoline stations, automobile service stations, repair shops, blacksmith shops or any other commercial or non-farming operation.

In no case shall the use extend to the processing, preparing or distributing of products not raised on the same farm and in no cases shall the use extend to a hatchery, dairy, butchery, greenhouse, or any other specialized operation unless such operation is conducted solely by the farmer and is incidental to the usual farm residence uses.



CLASSIFICATION OF SERVICES

A. RESIDENTIAL SERVICE (cont)

Customer may at his option elect to take the entire service under the appropriate General Service Rate Schedule, or may provide separate circuits so that the residential uses, together with the usual farm uses outside the dwelling unit, can be metered and billed separately under the appropriate Residential Service Rate Schedule, and the other uses under the appropriate General Service Rate Schedule.

The Residential Service Rate Schedules are not available for any use outside the dwelling unit on a farm which is not operated by an individual owner or lessee, occupying the farm residence.

B. GENERAL SERVICE

This covers service to any establishment for any purpose not prohibited by the rate schedule or Agreement for Service.

The General Service Rate Schedules are available only when all electric service required on the premises is taken through one meter at one point of delivery, except that:

- (a) General Service Rate Schedules are available for more than one point of delivery on any one premise, provided that in such event, service supplied at each point of delivery will be separately metered and separately billed.
- (b) The General Service Rate Schedules will be available for service to that portion of the Customer's premises which cannot be served at the Residential Service Rate Schedule or a Classified Service Rate Schedule. Service to such portion of the premises shall be considered as service to a separate customer, and all electric service taken therein at the General Service Rate Schedule must be through one meter at one point of delivery.

C. CLASSIFIED SERVICE

Classified service covers service for which specific rate schedules are available, due to the nature and load characteristics of the particular business. For such service, the General Service Rate Schedule may be used, except as specifically prohibited in that schedule, while Classified Rate Schedules are available only to those businesses complying with the specific requirements of the particular schedule.

Service supplied under a Classified Rate Schedule shall be used only for the purposes specified in such rate schedule. In the event the Company questions whether the service is being used in compliance with said rate schedule, the customer shall have the burden of establishing such compliance to the satisfaction of the Company. In the absence of such compliance, the Company may substitute an appropriate General Service Rate Schedule.

A customer conducting mixed operations, a part of which may be served at a Classified Rate Schedule may, at his option, elect to take the entire service under the General Service Rate Schedule or may provide separate circuits so that the classified service can be metered and billed separately at the available classified schedule, and the other uses metered and billed under the available General Service Rate Schedule.



CLASSIFICATION OF SERVICES

C. CLASSIFIED SERVICE (cont)

The Classified Services for which specific rate schedules are available, excluding special street light service, are listed below.

<u>Schedule No.</u>	<u>Classification</u>
E-20***	Time of Use for Religious Houses of Worship
E-36	Station Use Service
E-40*	Agricultural Wind Machine Service
E-47**	Dusk to Dawn Lighting Service
E-51*	Optional Electric Service for Qualified Cogeneration and Small Power Production Facilities over 100 kW
E-55	Electric Service for Partial Requirements Service 3,000 kW or Greater
E-56	Partial Requirements Service for On-Site Generation Facilities over 100 kW
E-58**	Street Lighting Service
E-59	Government Owned Street Lighting Systems
E-221	Water Pumping Service
E-221-8T	Water Pumping Service Time of Use
SC-S	Partial Requirement Standard Contract – Solar for Solar/Photovoltaic Generation Equipment over 100 kW
Solar-2*	Individual Solar Electric Service
Solar-3	Solar Power Pilot Program
SP-1*	Solar Partners
EPR-2	Purchase Rates for Qualified Facilities under 100 kW for Partial Requirements
EPR-5	Rates for Renewable Resource Facilities of 10 kW or Less for Partial Requirements
<u>EPR-6</u>	<u>Net Metering</u>
<u>PPR</u>	<u>Preference Power Rider</u>

* Frozen Rate.

** Partially Frozen Rate.

*** Frozen Rate as of Dec 31, 2010.

RESIDENTIAL



**RATE SCHEDULE E-12
RESIDENTIAL SERVICE
STANDARD RATE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service, except as stated below, required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter. For those dwellings and apartments where electric service has historically been measured through two meters, when one of the meters was installed pursuant to a water heating or space heating rate schedule no longer in effect, the electric service measured by such meters shall be combined for billing purposes. Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services.

This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services), and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.2530.285 per day

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.08570 \$0.09671 per kWh for the first 400 kWh, plus \$0.12175\$0.13739 per kWh for the next 400 kWh, plus —\$0.14427\$0.16281 per kWh for the next 2200 kWh, plus \$0.17358 per kWh for all additional kWh	\$0.083270.09397 per kWh

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 1983

A.C.C. No. 57195648
Canceling A.C.C. No. 55705648
Rate Schedule E-12
Revision No. 22234
Effective: January 1, 2010July 1, 2007



**RATE SCHEDULE E-12
RESIDENTIAL SERVICE
STANDARD RATE**

Basic Service Charge:

\$ 0.056 ~~0.063~~ per day

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 1983

A.C.C. No. 57195648
Canceling A.C.C. No. 55705648
Rate Schedule E-12
Revision No. 22231
Effective: January 1, 2010 ~~July 1, 2007~~



**RATE SCHEDULE E-12
RESIDENTIAL SERVICE
STANDARD RATE**

RATES (cont)

Unbundled Components (cont)

Revenue Cycle Service Charges:

Metering \$0.080 — 0.090 per day

Meter Reading \$0.055 — 0.062 per day

Billing \$0.062 — 0.070 per day

System Benefits Charge: \$0.00185 — 0.00210 per kWh

Transmission Charge: \$0.00520 — 0.00520 per kWh

Delivery Charge: \$0.03288 — \$ 0.03710 per kWh

Generation Charges:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.04577 \$0.05231 per kWh for the first 400 kWh, plus \$0.08182\$0.09299 per kWh for the next 400 kWh, plus \$0.10434\$0.11841 per kWh for the next 2200 kWh, plus \$0.12918 per kWh for all additional kWh	\$0.043340.04957 per kWh

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

ADJUSTMENTS

1. ~~The Environmental Portfolio Surcharge shall be applied to every retail electric service bill.~~ The bill is subject to every retail electric service the Renewable Energy Standard as set forth in the Company's Adjustment Schedule EPS-1 or successor schedules as approved by the RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. XXXXX69663, and Arizona Corporation Commission Decision No. XXXXX.



**RATE SCHEDULE E-12
RESIDENTIAL SERVICE
STANDARD RATE**

3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.

ADJUSTMENTS (cont)

4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE ET-1
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE RATE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatthour meter.

Additionally, this rate schedule is applicable only to those customers being served on the Company's Rate Schedule ET-1 prior to January 1, 2010.

This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services), and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.4930.556 per day

Energy Charge:

May - October Billing Cycles (Summer)	November - April Billing Cycles (Winter)
\$ 0.158100.17866 per kWh during On-Peak hours, plus \$ 0.051100.05774 per kWh during Off-Peak hours	\$0.128450.14515 per kWh during On-Peak hours, plus \$0.049250.05565 per kWh during Off-Peak hours

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Basic Service Charge: \$ 0.2110.238 per day



**RATE SCHEDULE ET-1
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE RATE**

RATES (cont)

Unbundled Components (cont)

Revenue Cycle Service Charges:

Metering \$ 0.1650.186 per day

Meter Reading \$ 0.0550.062 per day

Billing \$ 0.0620.070 per day

System Benefits Charge: \$ 0.001850.00210 per kWh

Transmission Charge: \$ 0.005200.00520 per kWh

Delivery Charge: \$ 0.024740.02796 per kWh

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.126340.14340 per kWh during On-Peak hours, plus \$0.01931\$0.02248 per kWh during Off-Peak hours	\$0.096660.10989 per kWh during On-Peak hours, plus \$0.01746\$0.02039 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

TIME PERIODS

The standard Company On-Peak time period for residential rate schedules is 9 a.m. to 9 p.m. Monday through Friday. All hours not included in the On-Peak time period shall be Off-Peak hours.

Mountain Standard Time shall be used in the application of this rate schedule.



**RATE SCHEDULE ET-1
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE RATE**

ADJUSTMENTS

1. ~~The Environmental Portfolio Surcharge shall be applied to every retail electric service bill is subject to every retail electric service~~ Renewable Energy Standard as set forth in the Company's Adjustment Schedule EPS-1 or successor schedules as approved by the RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. ~~The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, and Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXXX.~~
- 2.
4. ~~The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.~~

ADJUSTMENTS (cont)

3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 1, 1982

A.C.C. No. 57205652
Canceling A.C.C. No. 56295652
Rate Schedule ET-1
Revision No. 2829
Effective: January 1, 2010 July 1, 2007



RATE SCHEDULE ET-1
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE RATE

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



RATE SCHEDULE ET-2
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE 7PM-NOON

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

This rate schedule will be available beginning July 1, 2006 subject to meter availability and work schedule constraints.

A customer participating in this rate may switch to another available residential rate during their first year of subscription or anytime thereafter. However, after switching to another rate, the customer may not return to this rate for a period of 1 year. Eligible customers that have switched between other residential rates within the 12 months prior to implementation of this rate may subscribe to this rate before the 1 year minimum stay is completed.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatthour meter.

This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services) and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.4930.556 per day

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 0.216010.24445 per kWh during On-Peak hours, plus \$ 0.05413\$ 0.06126 per kWh during Off-Peak hours	\$0.175190.19825 per kWh during On-Peak hours, plus \$0.05412\$0.06124 per kWh during Off-Peak hours



**RATE SCHEDULE ET-2
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE 7PM-NOON**

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 2006

A.C.C. No. ~~5721~~5653
Canceling A.C.C. No. ~~5638~~5653
Rate Schedule ET-2
Revision No. 23
Effective: ~~January 1, 2010~~ July 1, 2007



RATE SCHEDULE ET-2
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE 7PM-NOON

RATES (cont)

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Basic Service Charge:	\$ 0.2140.238	per day
Revenue Cycle Service Charges:		
Metering	\$ 0.1650.186	per day
Meter Reading	\$ 0.0550.062	per day
Billing	\$ 0.0620.070	per day
System Benefits Charge:	\$ 0.001850.00210	per kWh
Transmission Charge:	\$ 0.005200.00520	per kWh
Delivery Charge:	\$ 0.024740.02800	per kWh
Generation Charge:		

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.184220.20915 per kWh during On-Peak hours, plus \$0.02234\$0.02596 per kWh during Off-Peak hours	\$0.143400.16295 per kWh during On-Peak hours, plus \$0.02233\$0.02594 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

TIME PERIODS

The On-Peak time period for this rate schedule is 12 noon to 7 p.m. Monday through Friday excluding the holidays listed below. All hours not included in the On-Peak time period shall be Off-Peak hours.

The following holidays are Off-Peak: New Year's Day (January 1), Memorial Day (last Monday in May), Independence Day (July 4), Labor Day (first Monday in September), Thanksgiving Day (fourth Thursday in November), and Christmas (December 25). When any holiday listed above falls on a Saturday, the preceding Friday will be recognized as an off-



**RATE SCHEDULE ET-2
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE 7PM-NOON**

peak period. When any holiday listed above falls on a Sunday, the following Monday will be recognized as an off-peak period. Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, ~~and Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXXX.~~
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 2006

A.C.C. No. 57215653
Canceling A.C.C. No. 56385653
Rate Schedule ET-2
Revision No. 23
Effective: January 1, 2010 July 1, 2007



**RATE SCHEDULE ECT-1R
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE RATE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service, except as stated below, required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt/kilowatthour meter.

Additionally, this rate schedule is applicable only to those customers being served on the Company's Rate Schedule ECT-1R prior to January 1, 2010.

This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services), and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$0.556 ~~0.493~~ per day

Demand Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
<u>\$13.372</u> 11.860 per On-Peak kW	<u>\$9.189</u> 8.150 per On-Peak kW

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
<u>\$-0.07434</u> 0.06593 per kWh during On-Peak hours, plus <u>\$-0.04159</u> 0.03689 per kWh during Off-Peak hours	<u>\$0.05609</u> 0.04975 per kWh during On-Peak hours, plus <u>\$0.03976</u> 0.03526 per kWh during Off-Peak hours

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: December 1, 1988

A.C.C. No. 57225659
Canceling A.C.C. No. 56530
Rate Schedule ECT-1R
Revision No. 4718
Effective: July 1, 2007/January 1, 2010



**RATE SCHEDULE ECT-1R
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE RATE**



RATE SCHEDULE ECT-1R
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE RATE

RATES (cont)

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Basic Service Charge:	\$ 0.2380 .208	per day
Revenue Cycle Service Charges:		
Metering	\$ 0.186	per day
Meter Reading	\$ 0.062	per day
Billing	\$ 0.070	per day
System Benefits Charge:	\$ 0.002109 .00185	per kWh
Transmission Charge:	\$ 0.005200 .00520	per kWh

Delivery Charge: _____

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$3.811 per On-Peak kW, plus \$0.012680 .01125 per kWh	\$2.086 per On-Peak kW, plus \$0.015560 .01380 per kWh

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$9.5618.480 per On-Peak kW, plus \$0.054360 .04763 per kWh during On-Peak hours, plus \$0.021610 .01859 per kWh during Off-Peak hours	\$7.1036.300 per On-Peak kW, plus \$0.033230 .02890 per kWh during On-Peak hours, plus \$0.016900 .01441 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

TIME PERIODS

The standard Company On-Peak time period for residential rate schedules is 9 a.m. to 9 p.m. Monday through Friday. All hours not included in the On-Peak time period shall be Off-Peak hours.



**RATE SCHEDULE ECT-1R
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE RATE**

Mountain Standard Time shall be used in the application of this rate schedule.



**RATE SCHEDULE ECT-1R
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE RATE**

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 60-minute period of maximum use during On-Peak hours, as determined from readings of the Company's meter.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
- ~~1. The Environmental Portfolio Surcharge shall be applied to every retail electric service as set forth in the Company's Adjustment Schedule EPS-1 or successor schedules as approved by the Arizona Corporation Commission.~~
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, and Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: December 1, 1988

A.C.C. No. 57225650
Canceling A.C.C. No. 56530
Rate Schedule ECT-1R
Revision No. 4718
Effective: July 1, 2007/January 1, 2010



**RATE SCHEDULE ECT-1R
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE RATE**

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: December 1, 1988

A.C.C. No. 57225650
Canceling A.C.C. No. 56530
Rate Schedule ECT-1R
Revision No. 4718
Effective: July 1, 2007 January 1, 2010



**RATE SCHEDULE ECT-2
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE 7PM-NOON**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

~~This rate schedule will be available beginning July 1, 2006 subject to meter availability and work schedule constraints.~~

~~A customer participating in this rate may switch to another available residential rate during their first year of subscription or anytime thereafter. However, after switching to another rate, the customer may not return to this rate for a period of 1 year. Eligible customers that have switched between other residential rates within the 12 months prior to implementation of this rate may subscribe to this rate before the 1-year minimum stay is completed.~~

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service, except as stated below, required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt/kilowatthour meter.

This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services) and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.4930.556 per day

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 2006

A.C.C. No. 57235651~~2006~~
Canceling A.C.C. No. 56395651
Rate Schedule ECT-2
Revision No. 32x
Effective: January 1, 2010~~July 1, 2007~~



**RATE SCHEDULE ECT-2
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE 7PM-NOON**

RATES (cont)

Bundled Standard Offer Service (cont)

Demand Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$11.87013.404 per On-Peak kW	\$8.1509.203 per On-Peak kW

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.078330.08845 per kWh during On-Peak hours, plus \$0.03864\$0.04363 per kWh during Off-Peak hours	\$0.051500.05815 per kWh during On-Peak hours, plus \$0.03784\$0.04273 per kWh during Off-Peak hours

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 2006

A.C.C. No. 57235651~~XXXX~~
Canceling A.C.C. No. 56395651
Rate Schedule ECT-2
Revision No. 32~~2~~
Effective: January 1, 2010July 1, 2007~~XXXX~~



**RATE SCHEDULE ECT-2
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE 7PM-NOON**

RATES (cont)

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Basic Service Charge:	\$ 0.2080.238	per day
Revenue Cycle Service Charges:		
Metering	\$ 0.1680.186	per day
Meter Reading	\$ 0.0550.062	per day
Billing	\$ 0.0620.070	per day
System Benefits Charge:	\$ 0.001850.00210	per kWh
Transmission Charge:	\$ 0.005200.00520	per kWh
Delivery Charge:		

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$3.3803.817 per On-Peak kW, plus \$0.01125\$0.01270 per kWh	\$1.8502.089 per On-Peak kW, plus \$0.01380\$0.01558 per kWh

RATES (cont)

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$8.4909.587 per On-Peak kW, plus \$0.06003\$0.06845 per kWh during On-Peak hours, plus \$0.02034\$0.02363 per kWh during Off-Peak hours	\$6.3007.114 per On-Peak kW, plus \$0.03065\$0.03527 per kWh during On-Peak hours, plus \$0.01699\$0.01985 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 2006

A.C.C. No. 57235651 ~~xxxx~~
Canceling A.C.C. No. 56295651
Rate Schedule ECT-2
Revision No. 32x
Effective: January 1, 2010 July 1, 2007 ~~xxxx~~



**RATE SCHEDULE ECT-2
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE 7PM-NOON**

Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

TIME PERIODS

The On-Peak time period for this rate schedule is 12 noon to 7 p.m. Monday through Friday excluding the holidays listed below. All hours not included in the On-Peak time period shall be Off-Peak hours.

The following holidays are Off-Peak: New Year's Day (January 1), Memorial Day (last Monday in May), Independence Day (July 4), Labor Day (first Monday in September), Thanksgiving Day (fourth Thursday in November), and Christmas (December 25). When any holiday listed above falls on a Saturday, the preceding Friday will be recognized as an off-peak period. When any holiday listed above falls on a Sunday, the following Monday will be recognized as an off-peak period.

Mountain Standard Time shall be used in the application of this rate schedule.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 60-minute period of maximum use during the customer's On-Peak hours, as determined from readings of the Company's meter.

ADJUSTMENTS

1. The ~~Environmental Portfolio Surcharge shall be applied~~ bill is subject to every retail electric service ~~the Renewable Energy Standard~~ as set forth in the Company's Adjustment Schedule EPS-1 or successor schedules as approved by the RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, and Arizona Corporation Commission Decision No. ~~XXXXX~~ 69663, and Arizona Corporation Commission Decision No. XXXXX.

ADJUSTMENTS (Con't)

3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 2006

A.C.C. No. ~~57235651~~ ~~XXXX~~
Canceling A.C.C. No. ~~56395651~~
Rate Schedule ECT-2
Revision No. ~~32x~~
Effective: January 1, 2010 July 1, 2007 ~~XXXX~~



**RATE SCHEDULE ECT-2
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE 7PM-NOON**

5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 2006

A.C.C. No. 57235651~~xxxx~~
Canceling A.C.C. No. 56395651
Rate Schedule ECT-2
Revision No. 32x
Effective: January 1, 2010~~July 1, 2007xxxx~~

GENERAL SERVICE



**RATE SCHEDULE E-30
GENERAL SERVICE
EXTRA SMALL UNMETERED**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service required where demand and energy requirements are constant, subject to the limitations set forth in the Special Provisions of this schedule. Billing quantities must be subject to accurate determination without the use of metering equipment, and service must be supplied at a single point of delivery.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 volts as may be selected by customer subject to availability at the customer's site). The cost of service extension shall include transformation equipment, if required.

RATES

The bill shall be computed at the following rates, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.2750.311 per day

Energy Charge:

May - October Billing Cycles (Summer)	November - April Billing Cycles (Winter)
\$0.127820.14447 per kWh	\$0.114720.12967 per kWh

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Basic Service Charge: \$ 0.2150.243 per day

Revenue Cycle Service Charges:

Billing: \$ 0.0600.068 per day

System Benefits Charge: \$ 0.001850.00210 per kWh

Transmission Charge: \$ 0.004240.00424 per kWh

Delivery Charge: \$ 0.044780.05061 per kWh



**RATE SCHEDULE E-30
GENERAL SERVICE
EXTRA SMALL UNMETERED**

RATES (cont)

Unbundled Components (cont)

Generation Charge:

May - October Billing Cycles (Summer)	November - April Billing Cycles (Winter)
\$0.076950.08752 per kWh	\$0.063850.07272 per kWh

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

ADJUSTMENTS

1. ~~The Environmental Portfolio Surcharge shall be applied to every retail electric service bill.~~ The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule EPS-1 or successor schedules as approved by the RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. ~~XXXXX~~69663 and Arizona Corporation Commission Decision No. XXXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXXX.



**RATE SCHEDULE E-30
GENERAL SERVICE
EXTRA SMALL UNMETERED**

8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.



**RATE SCHEDULE E-30
GENERAL SERVICE
EXTRA SMALL UNMETERED**

SPECIAL PROVISIONS

1. Electric services being served on the Company's Rate Schedule E-30 prior to April 1, 2005 will continue to be served under this rate schedule; however, services eligible for this rate schedule after that date must meet the demand and energy requirements set forth in the following Special Provisions.
2. This rate schedule is applicable only to loads where monthly demand (kW) and energy (kWh) requirements remain constant. Monthly demand and energy requirements may not exceed 1.445 kW (12 amperes) or 1,095 kWh at 120 volts, or 2.9 kW (12 amperes) or 2,117 kWh at 240 volts, for each delivery point. Determination of fixed monthly energy usage will be based on an average 730 hour month.
3. Prior written approval by an authorized Company representative is required before service is implemented under this rate schedule.
4. Prior written approval by an authorized Company representative is required for any change in loads. An unauthorized load change will automatically disqualify that customer from service under this rate schedule.
5. The Company shall have the right to inspect the customer's load facilities at any time to ensure compliance with all provisions of this rate schedule.

CONTRACT PERIOD

Any applicable contract period will be set forth in the Company's standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



RATE SCHEDULE E-32 GENERAL SERVICE

This rate is canceled effective January 1, 2010 and superseded by E-32 XS, E-32 S, E-32 M, E-32 L per A.C.C. Decision No. XXXXX.

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service required when such service is supplied at one point of delivery and measured through one meter. Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service nor to service for which Rate Schedule E-34 is applicable.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7 1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7 1/2 HP. Service under this schedule is generally provided at secondary voltage, primary voltage when the customer owns the distribution transformer(s), or transmission voltage.

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

FOR MONTHLY MAXIMUM DEMANDS OF 20 KW OR LESS

Bundled Standard Offer Service

Basic Service Charge:

For service through Self Contained Meters:	\$ 0.575	per day, or
For service through Instrument Rated Meters:	\$ 1.134	per day, or
For service at Primary Voltage:	\$ 2.926	per day, or
For service at Transmission Voltage:	\$22.422	per day

ARIZONA PUBLIC SERVICE COMPANY

Phoenix, Arizona

Filed by: David J. Rumolo

Title: Manager, Regulation and Pricing

Original Effective Date: November 1, 1983

A.C.C. No. 5659

Canceled A.C.C. No. 5579

Rate Schedule E-32

Revision No. 20

Effective: July 1, 2007



**RATE SCHEDULE E-32
GENERAL SERVICE**

RATES (cont)

FOR MONTHLY MAXIMUM DEMANDS OF 20 kW OR LESS (cont)

Bundled Standard Offer Service (cont)

Energy Charge:

May - October Billing Cycles (Summer)	November - April Billing Cycles (Winter)
For Secondary Service: \$0.11438 per kWh for the first 5,000 kWh, plus \$0.06254 per kWh for all additional kWh, or	For Secondary Service: \$0.09929 per kWh for the first 5,000 kWh, plus \$0.04745 per kWh for all additional kWh, or
For Primary Service: \$0.11160 per kWh for the first 5,000 kWh, plus \$0.05976 per kWh for all additional kWh	For Primary Service: \$0.09651 per kWh for the first 5,000 kWh, plus \$0.04467 per kWh for all additional kWh

— Bundled Standard Offer Service consists of the following Unbundled Components:

— Unbundled Components

— Basic Service Charge: \$ 0.108 per day

— Revenue Cycle Service Charges:

Metering:

Self-Contained Meters: \$ 0.345 per day, or
Instrument Rated Meters: \$ 0.904 per day, or
Primary: \$ 2.696 per day, or
Transmission: \$22.192 per day

These daily metering charges apply to typical installations. Customers requiring specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

— Meter Reading: \$ 0.058 per day

— Billing: \$ 0.064 per day

System Benefits Charge: \$ 0.00185 per kWh

Transmission Charge: \$ 0.00424 per kWh

ARIZONA PUBLIC SERVICE COMPANY

Phoenix, Arizona

Filed by: David J. Rumolo

Title: Manager, Regulation and Pricing

Original Effective Date: November 1, 1983

A.C.C. No. 5659

Canceled A.C.C. No. 5579

Rate Schedule E-32

Revision No. 20

Effective: July 1, 2007



**RATE SCHEDULE E-32
GENERAL SERVICE**

RATES (cont)

FOR MONTHLY MAXIMUM DEMANDS OF 20 kW OR LESS (cont)

Unbundled Components (cont)

Delivery Charge: _____

May—October Billing Cycles (Summer)	November—April Billing Cycles (Winter)
For Secondary Service: \$0.03462 per kWh for the first 5,000 kWh, plus \$0.01045 per kWh for all additional kWh, or	For Secondary Service: \$0.03455 per kWh for the first 5,000 kWh, plus \$0.01038 per kWh for all additional kWh, or
For Primary Service: \$0.03184 per kWh for the first 5,000 kWh, plus \$0.00767 per kWh for all additional kWh	For Primary Service: \$0.03177 per kWh for the first 5,000 kWh, plus \$0.00760 per kWh for all additional kWh

Generation Charge:

May—October Billing Cycles (Summer)	November—April Billing Cycles (Winter)
\$0.07367 per kWh for the first 5,000 kWh, plus \$0.04600 per kWh for all additional kWh	\$0.05865 per kWh for the first 5,000 kWh, plus \$0.03098 per kWh for all additional kWh

FOR MONTHLY MAXIMUM DEMANDS GREATER THAN 20 kW

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 0.575	per day, or
For service through Instrument Rated Meters:	\$ 1.134	per day, or
For service at Primary Voltage:	\$ 2.926	per day, or
For service at Transmission Voltage:	\$22.422	per day

Demand Charge:

Secondary Service:	\$ 8.477 per kW for the first 100 kW, plus
	\$ 4.509 per kW for all additional kW, or
Primary Service:	\$ 7.865 per kW for the first 100 kW, plus
	\$ 3.897 per kW for all additional kW, or
Transmission Service:	\$ 6.132 per kW for the first 100 kW, plus
	\$ 2.164 per kW for all additional kW

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 1, 1982

A.C.C. No. 5659
Canceling A.C.C. No. 5579
Rate Schedule E-32
Revision No. 20
Effective: July 1, 2007



**RATE SCHEDULE E-32
GENERAL SERVICE**

RATES (cont)

— FOR MONTHLY MAXIMUM DEMANDS GREATER THAN 20 KW (cont)

Bundled Components (cont)

Energy Charge: _____

May—October Billing Cycles (Summer)	November—April Billing Cycles (Winter)
\$0.09115 per kWh for the first 200 kWh per kW, plus \$0.05330 per kWh for all additional kWh	\$0.07613 per kWh for the first 200 kWh per kW, plus \$0.03828 per kWh for all additional kWh

— Bundled Standard Offer Service consists of the following Unbundled Components:

— Unbundled Components

— Basic Service Charge: _____ \$ 0.108 _____ per day

— Revenue Cycle Service Charges:

— Metering:

— Self Contained Meters: _____ \$ 0.345 _____ per day, or

— Instrument Rated Meters: _____ \$ 0.904 _____ per day, or

— Primary: _____ \$ 2.696 _____ per day, or

— Transmission: _____ \$22.192 _____ per day

These daily metering charges apply to typical installations. Customers requiring specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 Kv). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

— Meter Reading: _____ \$ 0.058 _____ per day

— Billing: _____ \$ 0.064 _____ per day

— System Benefits Charge: _____ \$ 0.00185 _____ per kWh

— Transmission Charge: _____ \$ 1.585 _____ per kW

— Delivery Charge:

— Secondary Service: _____ \$ 6.892 per kW for the first 100 kW, plus

_____ \$ 2.924 _____ per kW for all additional kW, plus

_____ \$ 0.00010 _____ per kWh, or

— Primary Service: _____ \$ 6.280 _____ per kW for the first 100 kW, plus

_____ \$ 2.312 _____ per kW for all additional kW, plus

_____ \$ 0.00010 _____ per kWh, or

ARIZONA PUBLIC SERVICE COMPANY

Phoenix, Arizona

Filed by: David J. Rumolo

Title: Manager, Regulation and Pricing

Original Effective Date: November 1, 1983

A.C.C. No. 5659

Canceled A.C.C. No. 5579

Rate Schedule E-32

Revision No. 20

Effective: July 1, 2007



RATE SCHEDULE E-32 GENERAL SERVICE

RATES (cont)

FOR MONTHLY MAXIMUM DEMANDS GREATER THAN 20 KW (cont)

Unbundled Components Delivery Charges (cont)

Transmission Service:	\$ 4.547	per kW for the first 100 kW, plus
	\$ 0.579	per kW for all additional kW, plus
	\$ 0.00010	per kWh

Generation Charge:

May - October Billing Cycles (Summer)	November - April Billing Cycles (Winter)
\$0.08920 per kWh for the first 200 kWh per kW, plus \$0.05135 per kWh for all additional kWh	\$0.07418 per kWh for the first 200 kWh per kW, plus \$0.03633 per kWh for all additional kWh

DIRECT ACCESS

The bill for Direct Access customers under this rate schedule will consist of the applicable Unbundled Components Basic Service Charge, System Benefits Charge, and Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

MINIMUM

The bill for Standard Offer and Direct Access customers will not be less than the applicable Bundled Standard Offer Service Basic Service charge plus \$1.910 for each kW of either: (1) the highest kW established during the twelve (12) months ending with the current month; or (2) the minimum kW specified in an agreement for service, whichever is the greater.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-conforming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-conforming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-conforming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVa may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 1, 1983

A.C.C. No. 5659
Canceling A.C.C. No. 5579
Rate Schedule E-32
Revision No. 20
Effective: July 1, 2007



RATE SCHEDULE E-32 GENERAL SERVICE

DETERMINATION OF KW

For billing purposes, including determination of Monthly Maximum Demands, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the month as determined from readings of the Company's meter.

ADJUSTMENTS

1. The Environmental Portfolio Surcharge shall be applied to every retail electric service as set forth in the Company's Adjustment Schedule EPS-1 or successor schedules as approved by the Arizona Corporation Commission.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 69663.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

For customers with monthly maximum demands less than 2,000 kW, any applicable contract period will be set forth in the Company's standard agreement for service. For customers with monthly maximum demands of 2,000 kW or greater, and at the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer or, if no additional distribution construction is required, the contract period will be one (1) year or longer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 1, 1983

A.C.C. No. 5659
Canceling A.C.C. No. 5579
Rate Schedule E-32
Revision No. 20
Effective: July 1, 2007



**RATE SCHEDULE E-32
GENERAL SERVICE**

~~schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.~~

ARIZONA PUBLIC SERVICE COMPANY

Phoenix, Arizona

Filed by: David J. Rumolo

Title: Manager, Regulation and Pricing

Original Effective Date: November 1, 1983

A.C.C. No. 5659

Cancelling A.C.C. No. 5579

Rate Schedule E-32

Revision No. 20

Effective: July 1, 2007



**RATE SCHEDULE E-32TOU
GENERAL SERVICE
TIME OF USE**

This rate is canceled effective January 1, 2010 and superseded by E-32TOU XS, E-32TOU M, E-32TOU L per
A.C.C. Decision No. XXXXX

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service required when such service is supplied at one point of delivery and measured through one meter. Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt/kilowatthour meter.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service nor to service for which Rate Schedule E-35 is applicable.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7 1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7 1/2 HP.

Service under this schedule is generally provided at secondary voltage; primary voltage when the customer owns the distribution transformer(s), or transmission voltage.

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

FOR MONTHLY MAXIMUM DEMANDS OF 20 kW OR LESS

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters	\$ 0.608	per day, or
For service through Instrument Rated Meters:	\$ 1.134	per day, or

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona

A.C.C. No. 5660
Canceling A.C.C. No. 5581

Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: April 1, 2005

Rate Schedule E-32TOU
Revision No. 1
Effective: July 1, 2007



RATE SCHEDULE E-32TOU
GENERAL SERVICE
TIME OF USE

For service at Primary Voltage:	\$ 2.926	per day, or
For service at Transmission Voltage:	\$22.422	per day

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona

A.C.C. No. 5660
Canceling A.C.C. No. 5581

Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: April 1, 2005

Rate Schedule E 32TOU
Revision No. 1
Effective: July 1, 2007



RATE SCHEDULE E-32TOU
GENERAL SERVICE
TIME OF USE

RATES (cont)

FOR MONTHLY MAXIMUM DEMANDS OF 20 kW OR LESS (cont)

Bundled Standard Offer Service (cont)

Energy Charge:

May - October Billing Cycles (Summer)	November - April Billing Cycles (Winter)
<u>For Secondary Service:</u> \$0.14329 per kWh for the first 5,000 On Peak kWh, plus \$0.07118 per kWh for all additional On Peak kWh, plus \$0.10607 per kWh for the first 5,000 Off Peak kWh, plus \$0.03849 per kWh for all additional Off Peak kWh, or	<u>For Secondary Service:</u> \$0.12847 per kWh for the first 5,000 On Peak kWh, plus \$0.05633 per kWh for all additional On Peak kWh, plus \$0.09124 per kWh for the first 5,000 Off Peak kWh, plus \$0.02766 per kWh for all additional Off Peak kWh, or
<u>For Primary Service:</u> \$0.14047 per kWh for the first 5,000 On Peak kWh, plus \$0.06770 per kWh for all additional On Peak kWh, plus \$0.10325 per kWh for the first 5,000 Off Peak kWh, plus \$0.03567 per kWh for all additional Off Peak kWh	<u>For Primary Service:</u> \$0.12565 per kWh for the first 5,000 On Peak kWh, plus \$0.05285 per kWh for all additional On Peak kWh, plus \$0.08842 per kWh for the first 5,000 Off Peak kWh, plus \$0.02484 per kWh for all additional Off Peak kWh

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Basic Service Charge: \$ 0.108 per day

Revenue Cycle Service Charges:

Metering:

Self Contained Meters: \$ 0.378 per day, or
Instrument Rated Meters: \$ 0.904 per day, or
Primary: \$ 2.696 per day, or
Transmission: \$22.422 per day

These daily metering charges apply to typical installations. Customers requesting specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

Meter Reading: \$ 0.058 per day

Billing: \$ 0.064 per day

System Benefits Charge: \$ 0.00185 per kWh

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona

A.C.C. No. 5660
Canceling A.C.C. No. 5581

Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: April 1, 2005

Rate Schedule E-32TOU
Revision No. 1
Effective: July 1, 2007



**RATE SCHEDULE E-32TOU
GENERAL SERVICE
TIME OF USE**

Transmission Charge:

\$ 0.00424 per kWh

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona

A.C.C. No. 5660
Canceling A.C.C. No. 5581

Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: April 1, 2005

Rate Schedule E-32TOU
Revision No. 1
Effective: July 1, 2007



RATE SCHEDULE E-32TOU
GENERAL SERVICE
TIME OF USE

RATES (cont)

FOR MONTHLY MAXIMUM DEMANDS OF 20 kW OR LESS (cont)

Unbundled Components (cont)

Delivery Charge:

May—October Billing Cycles (Summer)	November—April Billing Cycles (Winter)
<u>For Secondary Service:</u> \$0.04259 per kWh for the first 5,000 On Peak kWh, plus \$0.01106 per kWh for all additional On Peak kWh, plus \$0.03509 per kWh for the first 5,000 Off Peak kWh plus \$0.00809 per kWh for all additional Off Peak kWh, or	<u>For Secondary Service:</u> \$0.04252 per kWh for the first 5,000 On Peak kWh, plus \$0.01097 per kWh for all additional On Peak kWh, plus \$0.03502 per kWh for the first 5,000 Off Peak kWh plus \$0.00802 per kWh for all additional Off Peak kWh, or
<u>For Primary Service:</u> \$0.03977 per kWh for the first 5,000 On Peak kWh, plus \$0.00758 per kWh for all additional On Peak kWh, plus \$0.03227 per kWh for the first 5,000 Off Peak kWh plus \$0.00527 per kWh for all additional Off Peak kWh	<u>For Primary Service:</u> \$0.03970 per kWh for the first 5,000 On Peak kWh, plus \$0.00749 per kWh for all additional On Peak kWh, plus \$0.03220 per kWh for the first 5,000 Off Peak kWh plus \$0.00520 per kWh for all additional Off Peak kWh

Generation Charge:

May—October Billing Cycles (Summer)	November—April Billing Cycles (Winter)
\$0.09461 per kWh for the first 5,000 On Peak kWh, plus \$0.05403 per kWh for all additional On Peak kWh, plus \$0.06489 per kWh for the first 5,000 Off Peak kWh, plus \$0.02431 per kWh for all additional Off Peak kWh	\$0.07986 per kWh for the first 5,000 On Peak kWh, plus \$0.03927 per kWh for all additional On Peak kWh, plus \$0.05013 per kWh for the first 5,000 Off Peak kWh, plus \$0.01355 per kWh for all additional Off Peak kWh

FOR MONTHLY MAXIMUM DEMANDS GREATER THAN 20 kW

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 0.608	per day, or
For service through Instrument Rated Meters:	\$ 1.134	per day, or
For service at Primary Voltage:	\$ 2.926	per day, or
For service at Transmission Voltage:	\$22.422	per day

Demand Charge:

Secondary Service:	\$12.400 per kW for the first 100 On Peak kW, plus \$ 8.420 per kW for all additional On Peak kW, plus
--------------------	---

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona

A.C.C. No. 5660
Canceling A.C.C. No. 5581

Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: April 1, 2005

Rate Schedule E-32TOU
Revision No. 1
Effective: July 1, 2007



RATE SCHEDULE E-32TOU
GENERAL SERVICE
TIME OF USE

\$ 4.755 per kW for the first 100 Off Peak kW, plus
\$ 2.648 per kW for all additional Off Peak kW

RATES (cont)

FOR MONTHLY MAXIMUM DEMANDS GREATER THAN 20 kW(cont)

Bundled Components (cont)

Primary Service: \$12.002 per kW for the first 100 On Peak kW, plus
\$ 8.361 per kW for all additional On Peak kW, plus
\$ 4.256 per kW for the first 100 Off Peak kW, plus
\$ 2.579 per kW for all additional Off Peak kW

Transmission Service: \$11.291 per kW for the first 100 On Peak kW, plus
\$ 8.116 per kW for all additional On Peak kW, plus
\$ 3.693 per kW for the first 100 Off Peak kW, plus
\$ 2.486 per kW for all additional Off Peak kW

Energy Charge:

May - October Billing Cycles (Summer)	November - April Billing Cycles (Winter)
\$0.06312 per kWh during On Peak hours, plus \$0.05016 during Off Peak hours	\$0.04836 per kWh during On Peak hours, plus \$0.03540 during Off Peak hours

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components:

Basic Service Charge: \$ 0.108 per day

Revenue Cycle Service Charges:

Metering:

Self-Contained Meters: \$ 0.378 per day, or
Instrument Rated Meters: \$ 0.904 per day, or
Primary: \$ 2.696 per day, or
Transmission: \$22.192 per day

These daily metering charges apply to typical installations. Customers requesting specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

Meter Reading: \$ 0.058 per day

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona

A.C.C. No. 5660
Canceling A.C.C. No. 5581

Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: April 1, 2005

Rate Schedule E-32TOU
Revision No. 1
Effective: July 1, 2007



**RATE SCHEDULE E-32TOU
GENERAL SERVICE
TIME OF USE**

Billing:	\$ 0.064	per day
System Benefits Charge:	\$ 0.00185	per kWh
Transmission Charge:	\$ 1.585	On-Peak kW

RATES (cont)

FOR MONTHLY MAXIMUM DEMANDS GREATER THAN 20 kW (cont)

Unbundled Components (cont)

Delivery Charge:		
Secondary Service:	\$ 4.795	per kW for the first 100 On-Peak kW, plus
	\$ 0.815	per kW for all additional On-Peak kW, plus
	\$ 2.464	per kW for the first 100 Off-Peak kW, plus
	\$ 0.357	per kW for all additional Off-Peak kW, plus
	\$ 0.00010	per kWh, or
Primary Service:	\$ 4.397	per kW for the first 100 On-Peak kW, plus
	\$ 0.756	per kW for all additional On-Peak kW, plus
	\$ 1.965	per kW for the first 100 Off-Peak kW, plus
	\$ 0.288	per kW for all additional Off-Peak kW, plus
	\$ 0.00010	per kWh, or
Transmission Service:	\$ 3.686	per kW for the first 100 On-Peak kW, plus
	\$ 0.511	per kW for all additional On-Peak kW, plus
	\$ 1.402	per kW for the first 100 Off-Peak kW, plus
	\$ 0.195	per kW for all additional Off-Peak kW, plus
	\$ 0.00010	per kWh

Generation Charge:

May—October Billing Cycles (Summer)	November—April Billing Cycles (Winter)
\$6.020 per On-Peak kW, plus \$2.291 per Off-Peak kW, plus \$0.06117 per kWh during On-Peak hours, plus \$0.04821 per kWh during Off-Peak hours	\$6.020 per On-Peak kW, plus \$2.291 per Off-Peak kW, plus \$0.04641 per kWh during On-Peak hours, plus \$0.03345 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers under this rate schedule will consist of the applicable Unbundled Components Basic Service Charge, System Benefits Charge, and Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona

A.C.C. No. 5660
Canceling A.C.C. No. 5581

Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: April 1, 2005

Rate Schedule E-32TOU
Revision No. 1
Effective: July 1, 2007



**RATE SCHEDULE E-32TOU
GENERAL SERVICE
TIME OF USE**

supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona

A.C.C. No. 5660
Canceling A.C.C. No. 5581

Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: April 1, 2005

Rate Schedule E-32TOU
Revision No. 1
Effective: July 1, 2007



**RATE SCHEDULE E-32TOU
GENERAL SERVICE
TIME OF USE**

MINIMUM

The bill for Standard Offer and Direct Access customers will not be less than the applicable Bundled Standard Offer Service Basic Service Charge plus \$1.91 for each of either: (1) the highest On Peak kW established during the twelve (12) months ending with the current month; or (2) the minimum kW specified in an agreement for service, whichever is the greater.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-conforming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-conforming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-conforming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVa may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 15 minute period of maximum use during the On Peak and Off Peak periods during the billing period, as determined from readings of the Company's meter.

In addition, Monthly Maximum Demands will be based on the highest average kW supplied during the 15 minute period during either the On Peak or Off Peak hours of the billing period, as determined from readings of the Company's meter.

TIME PERIODS

Time periods applicable to usage under this rate schedule are as follows:

On Peak hours: 11:00 am - 9:00 pm Monday through Friday
Off Peak hours: All remaining hours

Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The Environmental Portfolio Surcharge shall be applied to every retail electric service as set forth in the Company's Adjustment Schedule EPS-1 or successor schedules as approved by the Arizona Corporation Commission.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona

A.C.C. No. 5660
Canceling A.C.C. No. 5581

Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: April 1, 2005

Rate Schedule E-32TOU
Revision No. 1
Effective: July 1, 2007



**RATE SCHEDULE E-32TOU
GENERAL SERVICE
TIME OF USE**

ADJUSTMENTS (cont)

2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 69663.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

For customers with monthly maximum demands less than 2,000 kW, any applicable contract period will be set forth in the Company's standard agreement for service. For customers with monthly maximum demands of 2,000 kW or greater, and at the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer or, if no additional distribution construction is required, the contract period will be one (1) year or longer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona

A.C.C. No. 5660
Canceling A.C.C. No. 5581

Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: April 1, 2005

Rate Schedule E-32TOU
Revision No. 1
Effective: July 1, 2007



**RATE SCHEDULE E-34
EXTRA LARGE GENERAL SERVICE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose monthly maximum demand registers 3,000 kW or more for three (3) consecutive months in any continuous twelve (12) month period ending with the current month. Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be three phase, 60 Hertz, at the Company's standard voltages that are available within the vicinity of the customer site.

Service under this schedule is generally provided at secondary voltage, primary voltage when the customer owns the distribution transformer(s), or transmission voltage.

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 0.575	1.135	per day, or
For service through Instrument-Rated Meters:	\$ 1.134	1.776	per day, or
For service at Primary Voltage:	\$ 2.926	3.828	per day, or
For service at Transmission Voltage:	\$ 22.422	26.161	per day

Demand Charge:

Secondary Service:	\$ 15.297	17.377	per kW, or
Primary Service:	\$ 14.507	16.478	per kW, or
Transmission Service:	\$ 10.577	12.005	per kW

The Demand Charge for military base customers taking primary service and served directly from a Company substation dedicated distribution feeder(s) shall be reduced to \$11.257 per kW.

Energy Charge:	\$ 0.037150.04220	per kWh
----------------	-------------------	---------



**RATE SCHEDULE E-34
EXTRA LARGE GENERAL SERVICE**

RATES (cont)

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components Standard Offer Service:

Basic Service Charge:	\$ 0.1080.601	per day
Revenue Cycle Service Charges:		
Metering:		
Self-Contained Meters:	\$ 0.3450.395	per day, or
Instrument-Rated Meters:	\$ 0.9041.036	per day, or
Primary:	\$ 2.6963.088	per day, or
Transmission:	\$ 22.19225.421	per day

These daily metering charges apply to typical installations. Customers requiring specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

Meter Reading:	\$ 0.058 ——— 0.066	per day
Billing:	\$ 0.064 ——— 0.073	per day
System Benefits Charge:	\$ 0.001850.00210	per kWh
Transmission Charge:	\$ 1.776 ——— 1.776	per kW
Delivery Charge:		
Secondary Service:	\$ 4.959 ——— 5.635	per kW
Primary Service:	\$ 4.169 ——— 4.736	per kW
Transmission Service:	————— \$ 0.239 — \$ 0.263	per kW

The Delivery Charge for military base customers taking primary service and served directly from a dedicated distribution feeder(s) Company substation shall be reduced to \$0.9191.045 per kW.

Generation Charge:	\$ 8.562 ——— 9.966	per kW, plus
	\$ 0.035300.04010	per kWh

Direct Access

The bill for Direct Access customers will consist of the applicable Unbundled Components Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 1, 1983

A.C.C. No. 56625763
Canceling A.C.C. No. 55825662
Rate Schedule E-34
Revision No. 4920
Effective: July 1, 2007/January 1, 2010



**RATE SCHEDULE E-34
EXTRA LARGE GENERAL SERVICE**

MINIMUM

The bill for service under this rate schedule shall not be less than the applicable Bundled Standard Offer Service Basic Service Charge plus the applicable Bundled Standard Offer Service Demand Charge for each kW as determined below.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-conforming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-conforming power factor or other detrimental conditions shall be required to remedy problems or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, $kV_{ak}VA$ may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be the greater of the following:

1. The average kW supplied during the 15-minute period (or other period as specified by an individual customer contract) of maximum use during the month, as determined from readings of the Company's meter.
2. 80% of the highest kW measured during the six (6) summer billing months (May-October) of the twelve (12) months ending with the current month.
3. The minimum kW specified in the agreement for service or individual contract.

ADJUSTMENTS

1. ~~The Environmental Portfolio Surcharge shall be applied to every retail electric service bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule EPS-1 or successor schedules as approved by the RES pursuant to Arizona Corporation Commission Decision No. 70313.~~
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXX.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 1, 1983

A.C.C. No. 56625763
Canceling A.C.C. No. 55825662
Rate Schedule E-34
Revision No. 4920

Effective: July 1, 2007/January 1, 2010



**RATE SCHEDULE E-34
EXTRA LARGE GENERAL SERVICE**

3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.

ADJUSTMENTS (cont)

ADJUSTMENTS (cont)

5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

The contract period for customers served under this rate schedule will be three (3) years, at the Company's option. If the Company determines that the customer service location is such that unusual or substantial distribution construction is required to serve the site, the Company may require a contract of ten (10) years or longer with a standard seven (7) year termination provision.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



RATE SCHEDULE E-35
EXTRA LARGE GENERAL SERVICE
TIME OF USE

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose monthly maximum demand registers 3,000 kW or more for three (3) consecutive months in any continuous twelve (12) month period ending with the current month. Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be three phase, 60 Hertz, at the Company's standard voltages that are available within the vicinity of the customer site.

Service under this schedule is generally provided at secondary voltage, primary voltage when the customer owns the distribution transformer(s), or transmission voltage.

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 0.608 1.183	per day, or
For service through Instrument-Rated Meters:	\$ 1.134 1.795	per day, or
For service at Primary Voltage:	\$ 2.926 3.881	per day, or
For service at Transmission Voltage:	\$ 22.422 26.574	per day

Demand Charge:

Secondary Service:	\$ 13.313 15.091	per On-Peak kW,
plus	\$ 2.412 2.734	per Off-Peak kW,
or		
Primary Service:	\$ 12.653 14.343	per On-Peak kW,
plus	\$ 2.346 2.659	per Off-Peak kW, or
Transmission Service:	\$ 9.248 10.483	per On-Peak kW,
plus	\$ 2.005	\$ 2.273
per Off-Peak kW		

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 10, 1988

A.C.C. No. 57645663
Canceling A.C.C. No. 55835663
Rate Schedule E-35
Revision No. 2014
Effective: January 1, 2010 July 1, 2007



RATE SCHEDULE E-35
EXTRA LARGE GENERAL SERVICE
TIME OF USE

The Demand Charge for military base customers taking primary service and served directly from a Company substation dedicated distribution feeder(s) shall be reduced to \$ ~~10.163~~ \$ 11.520 per On-Peak kW and \$ ~~2.096~~ \$ 2.376 per Off-Peak kW.

RATES (cont)

Energy Charge:	\$ 0.04141 0.04694	per kWh during On-Peak
hours, plus	\$ 0.03114 0.03530	per kWh during Off-Peak
hours		

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

Basic Service Charge:	\$ 0.108 0.601	per day
Revenue Cycle Service Charges:		
Metering:		
Self-Contained Meters:	\$ 0.378 0.440	per day, or
Instrument-Rated Meters:	\$ 0.904 1.052	per day, or
Primary:	\$ 2.696 3.138	per day, or
Transmission:	\$ 22.192 25.831	per day

These daily metering charges apply to typical installations. Customers requiring specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

Meter Reading:	\$ 0.058 0.068	per day
Billing:	\$ 0.064 0.074	per day
System Benefits Charge:	\$ 0.00185 0.00210	per kWh
Transmission Charge:	\$ 1.776 1.776	per On-Peak kW
Delivery Charge:		
Secondary Service:	\$ 4.368 4.951	per On-Peak kW, plus
	\$ 0.437 0.495	per kW Off-Peak, or
Primary Service:	\$ 3.708 4.203	per On-Peak kW, plus
	\$ 0.374 0.420	per Off-Peak kW, or
Transmission Service:	\$ 0.303 0.343	per On-Peak kW, plus
	\$ 0.030 0.034	per Off-Peak kW



**RATE SCHEDULE E-35
EXTRA LARGE GENERAL SERVICE
TIME OF USE**

In addition, the Delivery Charge for military base customers taking primary service and served directly from a Company substation shall be reduced to \$ 1.218-~~\$ 1.380~~ per On-Peak kW and \$ 0.124-~~\$ 0.137~~ per Off-Peak kW.

Generation Charge:	\$ 7.169 8.364	per— On-Peak kW, plus
	\$ 1.975 2.239	per —Off-Peak kW, plus
	\$ 0.03956	\$ 0.04484
	per kWh during On-Peak hours,	
	plus	
	\$ 0.02929 0.03320	per kWh during Off-Peak

hours

RATES (cont)

Direct Access

DIRECT ACCESS

The bill for Direct Access customers will consist of the applicable Unbundled Components Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA_{kVA} may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

MINIMUM

The bill for service under this rate schedule shall not be less than the applicable Bundled Standard Offer Service Basic Service Charge plus the applicable Bundled Standard Offer Service Demand Charge for the minimum kW specified in the agreement for service or individual customer contract.

DETERMINATION OF KW

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 10, 1988

A.C.C. No. 57645663
Canceling A.C.C. No. 55835663
Rate Schedule E-35
Revision No. 2014
Effective: January 1, 2010 July 1, 2007



**RATE SCHEDULE E-35
EXTRA LARGE GENERAL SERVICE
TIME OF USE**

TIME PERIODS

Time periods applicable to usage under this rate schedule are as follows:

On-Peak hours: 11:00 am – 9:00 pm Monday through Friday
Off-Peak hours: All remaining hours

TIME PERIODS (Cont)

Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. ~~The Environmental Portfolio Surcharge shall be applied to every retail electric service bill.~~ The bill is subject to every retail electric service the Renewable Energy Standard as set forth in the Company's Adjustment Schedule EPS-1 or successor schedules as approved by the RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

The contract period for customers served under this rate schedule will be three (3) years, at the Company's option. If the Company determines that the customer service location is such that unusual or substantial distribution construction is required to serve the site, the Company may require a contract of ten (10) years or longer with a standard seven (7) year termination provision.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 10, 1988

A.C.C. No. 57645663
Canceling A.C.C. No. 55835663
Rate Schedule E-35
Revision No. 2014
Effective: January 1, 2010/July 1, 2007



**RATE SCHEDULE E-35
EXTRA LARGE GENERAL SERVICE
TIME OF USE**

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

GENERAL SERVICE - RIDERS



**RATE SCHEDULE E-32R
GENERAL SERVICE
PARTIAL REQUIREMENTS**

This rate is canceled effective January 1, 2010 per A.C.C. Decision No. 69663 and A.C.C. Decision No. XXXXX.

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer customers not taking all electric power requirements from the Company who continue to desire a permanent electric connection with the Company as a standby or supplemental power source. All provisions of the otherwise applicable general service rate schedule will apply except those specifically modified herein. Direct Access customers are not eligible for service under this schedule.

This rate schedule is not applicable to breakdown, residential, or resale service or to service for which Rate Schedules E-34 or E-35 is applicable, or when the customer's other sources of power supply are being held solely for emergency use.

RATES

Customers served under this rate schedule shall be billed monthly in accordance with the otherwise applicable general service rate with the following exceptions:

A. For electric service provided under standard general service rate schedules, the kW used to calculate monthly charges, including any applicable Monthly Maximum Demands, shall be based on the greater of the following:

1. The average kW supplied during the 15 minute period (or other period as specified by customer contract) of maximum use during the month, as determined from readings of the Company's meter.
2. 80% of the average of the highest kW measured during each of the six (6) summer billing months (May-October) of the 12 months ending with the current month.
3. The minimum kW specified in the agreement for service or individual customer contract.

B. For electric service provided under time of use general service rate schedules, the On-Peak kW used to calculate monthly charges, including any applicable Monthly Maximum Demands, shall be based on the greater of the following:

1. The average kW supplied during the 15 minute period (or other period as specified by customer contract) of maximum use during the On-Peak hours of the month, as determined from readings of the Company's meter.
2. 80% of the average of the highest kW measured during the On-Peak hours of each of the six (6) summer billing months (May-October) of the 12 months ending with the current month.
3. The minimum kW specified in the agreement for service or individual customer contract.

Minimum bills shall be calculated in accordance with the otherwise applicable general service rate.

ARIZONA PUBLIC SERVICE COMPANY

Phoenix, Arizona

Filed by: David J. Rumolo

Title: Manager, Regulation and Pricing

Original Effective Date: March 31, 1988

Page 1 of 1

A.C.C. No. 5685

Canceled A.C.C. No. 5580

Rate Schedule E-32R

Revision No. 3

Effective: July 1, 2007



**RATE SCHEDULE E-54
GENERAL SERVICE
SEASONAL SERVICE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer or Direct Access electric service billed under general service rate schedules (except as limited below) where the customer's requirements are distinctly of a recurring seasonal nature, and where the customer enters into an agreement for service with the Company for a sufficient period of time and guarantees payments of a sufficient amount (in no event less than the MINIMUM 12-MONTH CHARGE \$603.49 in any 12 consecutive months) to justify the Company's expenses for installing service facilities and leaving them in place from season to season.

The application of this rate schedule is subject to the following limitations:

1. This schedule is applicable only to electric service otherwise eligible for Rate Schedule E-32.
2. Customers whose highest measured monthly kW for the calendar year occurs in the billing months of June, July or August are not eligible for this rate schedule.

RATES

Customers being served under this rate schedule will be billed in accordance with Rate Schedule E-32 with the following exception:

The minimum bill shall be the minimum specified in the otherwise applicable rate schedule, but not more than an amount sufficient to make the total charges for the 12 months ending with the current month equal to twelve times the minimum specified in the rate schedule as calculated on the highest kW established during the 12 months ending with the current month, or the minimum kW specified in an agreement for service, whichever is greater, but in no event less than the MINIMUM 12-MONTH CHARGE \$603.49.

MINIMUM 12-MONTH CHARGE: \$ 603.49

CLASSIFIED



RATE SCHEDULE E-20
CLASSIFIED SERVICE
TIME OF USE FOR RELIGIOUS HOUSES OF WORSHIP

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service for non-taxable religious houses of worship whose main purpose is worship and who have an established and continuing membership. Only the meter that measures service to the building in which the sanctuary or principal place of worship is located is eligible for this schedule. Customers must apply to the Company in order to determine eligibility for service under this schedule, and the Company may request a copy of the Internal Revenue Service letter in which the customer's non-taxable status as a religious organization is determined. In addition, customers agree to provide the Company a copy of any Internal Revenue Service letter which changes or supersedes that tax status determination.

Rate selection is subject to paragraphs 3.2 and 3.3 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt meter.

Additionally, this rate schedule is applicable only to those customers being served on the Company's Rate Schedule E-20 prior to January 1, 2011.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service nor to service for which Rate Schedules E-34 or E-35 is applicable. Direct Access customers are not eligible for this rate schedule.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP.

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this schedule:

Basic Service Charge: \$ 0.94+1.065 per day

Demand Charge:

May - October Billing Cycles (Summer)	November - April Billing Cycles (Winter)
\$2.11+2.391 per On-Peak kW	\$1.90+2.156 per On-Peak kW

In the event the Off-Peak kW is greater than twice the highest On-Peak kW established during the current month, the difference between such Off-Peak kW and twice the On-Peak kW shall be billed at 50% of the current month's On-Peak kW charge, in addition to the Demand Charge as stated above.



RATE SCHEDULE E-20
CLASSIFIED SERVICE
TIME OF USE FOR RELIGIOUS HOUSES OF WORSHIP

RATES (cont)

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.12704 \$0.14380 per kWh during On-Peak hours, plus \$0.06136 \$0.06945 per kWh during Off-Peak hours	\$0.11170 \$0.12644 per kWh during On-Peak hours, plus \$0.05500 \$0.06226 per kWh during Off-Peak hours

MINIMUM

The bill for service under this rate schedule will not be less than \$0.94+1.065 per day plus \$1.724+1.951 for each kW of either:

(1) the highest kW established during the twelve (12) months ending with the current month, or (2) the minimum kW specified in the agreement for service, whichever is the greater.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-conforming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-conforming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-conforming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, ~~kVA~~ kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the On-Peak and Off-Peak periods during the month, as determined from readings of the Company's meter.

TIME PERIODS

Time periods applicable to usage under this rate schedule are as follows:

On-Peak hours:	11:00 am – 9:00 pm Monday through Friday
Off-Peak hours:	All remaining hours

Mountain Standard Time shall be used in the application of this rate schedule.



RATE SCHEDULE E-20
CLASSIFIED SERVICE
TIME OF USE FOR RELIGIOUS HOUSES OF WORSHIP

ADJUSTMENTS

1. The ~~Environmental Portfolio Surcharge shall be applied~~ bill is subject to every retail electric service the ~~Renewable Energy Standard as set forth in the Company's Adjustment Schedule EPS-1 or successor schedules as approved by the RES pursuant to Arizona Corporation Commission Decision No. 70313.~~
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, and Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management/Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

The contract period for all customers receiving service under this rate schedule will be one (1) year at the Company's option.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-36
CLASSIFIED SERVICE
STATION USE SERVICE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the premises served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service for start-up and/or auxiliary load requirements for generation plants with a Power Supply capacity requirement of greater than 3 MW. Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by individual customer contract. This rate schedule may be used in conjunction with other applicable Company rate schedules; however, any service under this schedule is not eligible for Direct Access.

TYPE OF SERVICE

The type of service provided under this rate schedule shall be three phase, 60 Hertz, at one standard voltage available within the vicinity of the customer's site.

RATES

The bill shall be the sum of the amounts included under A., B. and C. below, including any applicable adjustments:

A. Basic Service

Basic Service Charge: \$ 4,930.00 ~~6,100.00~~ per month

B. Metering Service

The monthly metering charge shall be 1.29% of the total metering cost specified in the Electric Supply Agreement between the Company and the customer. This percentage will be reduced to 0.35% when the customer provides all necessary metering equipment and is responsible for its replacement. The customer shall also be responsible for all applicable costs associated with communications facilities used to compile metered usage information.

C. Power Supply Service

The charge for Power Supply Service shall be the sum of 1. and 2. below:

- | | | |
|------------------------------------|------------------------------------|---|
| 1. <u>T & D Capacity Rate:</u> | \$ 4.58
<u>4.577</u> | per kW of Contract Power Supply Capacity for service provided at secondary distribution voltage levels (less than 12.5 kV) <u>plus the total TCA-1 charge for General Service 3,000 kW or greater in Adjustment Schedule TCA-1, or</u> |
| 1. <u>T & D Capacity Rate:</u> | \$ 4.42
<u>3.971</u> | per kW of Contract Power Supply Capacity for service provided at primary distribution voltage levels (12.5 kV to below 69 kV) <u>plus the total TCA-1 charge for General Service 3,000 kW or greater in Adjustment Schedule TCA-1, or</u> |



- CONTRACT PERIOD**

CONNECTION COSTS

POWER SUPPLY CAPACITY

- (a) The amount of capacity (kW) reserved by the customer in the Electric Supply Agreement; or
- (b) The highest 15 minute measured kW supplied by the Company, by voltage level, to accommodate the start-up of the customer's generation unit(s) plus any necessary auxiliary load (including generation auxiliary load and/or any other load requirements at the plant site that would otherwise be provided by the customer when the generation unit(s) are running).

- (a) The amount of capacity (kW) reserved by the customer in the Electric Supply Agreement; or
- (b) The highest 15 minute measured kW supplied by the Company, by voltage level, to accommodate the start-up of one and only one customer generation unit at any given time plus any necessary auxiliary load (including any or all generation auxiliary load and/or any other load requirements at the entire plant site that would otherwise be provided by the customer when any or all generation unit(s) are running).

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: March 1, 2001

A.C.C. No. 56665743
Canceling A.C.C. No. 55875666
Rate Schedule E-36
Revision No. 23

Effective: ~~July 1, 2007~~ January 1, 2010



**RATE SCHEDULE E-36
CLASSIFIED SERVICE
STATION USE SERVICE**

RATES (cont)

DETERMINATION OF HOURLY PRICING PROXY

Hourly pricing proxy shall be calculated using the published day ahead Dow Jones Electricity Price Index. APS will calculate a weighted average using the day ahead hub pricing and volumes at Palo Verde, Four Corners, and Mead, for firm on-peak and off-peak prices as expressed on a per kWh basis, at the time Station Use power is supplied to the customer.

METERING

The Company will normally install a supply meter at the point of delivery to the customer and a generator meter(s) at the point(s) of output from each of the customer's generators. However, the customer can elect to supply this metering as long as it conforms to Company specifications. All meters will record integrated demand and energy on the same 15-minute interval basis as specified by the Company.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVAa may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

ADJUSTMENTS

1. ~~The Environmental Portfolio Surcharge shall be applied to every retail electric service as set forth in the Company's Adjustment Schedule EPS-1 or successor schedules as approved by the Arizona Corporation Commission.~~ The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
3. The bill is subject to the Environmental Improvement ~~Charge~~ Surcharge as set forth in the Company's Adjustment Schedule ~~EIGEIS~~ pursuant to Arizona Corporation Commission Decision No. 69663.
4. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.



**RATE SCHEDULE E-36
CLASSIFIED SERVICE
STATION USE SERVICE**

ADJUSTMENTS (cont)

5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commisison Decision No. XXXX.
7. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

Service under this schedule is not subject to the Company's Adjustment Schedule PSA-1.

INTERCONNECTION REQUIREMENTS

The customer must meet all interconnection requirements as determined by the Company. The customer is responsible for all costs associated with interconnection of the customer's generation facility to the Company's system.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



RATE SCHEDULE E-40
CLASSIFIED SERVICE
AGRICULTURAL WIND MACHINE SERVICE

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the premises served.

APPLICATION

This rate schedule is applicable to all Standard Offer electric service required for the operation of wind machine for frost control during the months of November ~~thru~~ through March only when such service is supplied at one point of delivery and measured through one meter. Direct Access customers are not eligible for this rate schedule.

This schedule is not applicable to temporary, breakdown, standby, supplementary, or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be three phase, 60 Hertz, at one standard voltage (120/240, 120/480, or 7,200/12,000 volts as may be selected by customer subject to availability at the site).

Applicable only to customers being served on the Company's Rate Schedule E-40 prior to November 15, 1986.

RATES

Basic Service Charge: \$ ~~0.0490~~ ~~0.04308~~ per HorsePower per day

Energy Charge: \$ ~~0.091060~~ ~~0.08073~~ per kWh for all kWh

HorsePower will be equivalent to the wind machine name plate rating unless Company tests indicate the motor is overloaded by more than 15%.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-conforming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-conforming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-conforming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVAa may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.



RATE SCHEDULE E-40
CLASSIFIED SERVICE
AGRICULTURAL WIND MACHINE SERVICE

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313. The Environmental Portfolio Surcharge shall be applied to every retail electric service as set forth in the Company's Adjustment Schedule EPS-1 or successor schedules as approved by the Arizona Corporation Commission.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission No. XXXX.-
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

SPECIAL PROVISIONS

1. For billing under this rate schedule, the customer may choose between one of the following options:
 - a) Monthly billing;
 - b) Semiannual billing for three (3) months in advance and three (3) months actual use; or
 - c) Annual billing for six (6) months in advance and six (6) months actual use.

After initial selection of payment by the customer no change may be made during the term of the service agreement.

2. Thermostatically controlled wind machines with automatic reclosing switches must be equipped at the customer's expense with suitable time-delay devices to permit the required adjustment of the time of reclosure after interruption of service.



**RATE SCHEDULE E-40
CLASSIFIED SERVICE
AGRICULTURAL WIND MACHINE SERVICE**

SPECIAL PROVISIONS

A time-delay device is a relay or other type of equipment that can be preset to delay with various time intervals the reclosing of the automatic switches in order to stagger the reconnection of the load on the utility's system. This device must be constructed so as to effectively permit a variable overall time interval of not less than five minutes with adjustable time increments of not greater than ten seconds. The particular setting to be utilized for each separate installation is to be determined by the Company from time to time in accordance with its operating requirements.

CONTRACT PERIOD

The initial customer contract period shall be five (5) years. The contract period for any renewals shall be three (3) years.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

FROZEN



RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to outdoor lighting which operates only from dusk to dawn and where service can be supplied from the existing secondary facilities of the Company. Dusk is defined as the time between sunset and full night when a photocontrol senses the lack of sufficient sunlight and turns on the lights. Dawn is defined as the time between full night and sunrise when a photocontrol senses sufficient sunlight to turn off lights.

RATES

The customer's bill shall be computed at the following rates for each type of standard facility and/or service utilized to provide outdoor lighting, plus any adjustments incorporated in this schedule:

I. FIXTURES (Includes Mounting Arm, if Applicable)

	Lumen	Watts	kWh	RATES	
				Company Owned	Customer Owned
A. Acorn	9,500 HPS	100	41	\$23.90 \$27.06	\$8.14 \$9.22
	16,000	150	69	26.53 30.04	10.29 11.65
B. Architectural	9,500 HPS	100	41	13.58 15.38	6.48 7.34
	16,000	150	69	15.86 17.96	8.67 9.82
	30,000	250	99	18.82 21.31	11.13 12.60
	50,000	400	153	23.22 26.29	16.01 18.13
	14,000 MH	175	72	19.00 21.51	10.41 11.79
	21,000 MH	250	101	21.57 24.42	12.84 14.54
	36,000 MH	400	159	26.97 30.54	17.66 20.00
	8,000 LPS	55	30	19.74 22.35	8.67 9.82
	13,500 LPS	90	50	23.28 26.36	10.46 11.84
	22,500 LPS	135	72	26.59 30.11	12.76 14.45
	33,000 LPS	180	90	31.99 36.22	15.03 17.02
	8,000 FL	100	38	15.19 17.20	4.45 5.04
C. Cobra/Roadway	5,800 HPS	70	29	7.71 8.73	4.56 5.16
	9,500 HPS	100	41	9.08 10.28	5.58 6.32
	16,000	150	69	11.37 12.87	7.79 8.82
	30,000	250	99	13.71 15.52	10.12 11.46
	50,000	400	153	18.60 21.06	14.46 16.37
	14,000 MH	175	72	13.22 14.97	9.01 10.20
	21,000 MH	250	101	15.45 17.49	11.21 12.69
	36,000 MH	400	159	20.34 23.03	15.57 17.63



RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE

RATES (cont)

I. FIXTURES (Includes Mounting Arm, if Applicable) (cont)

FIXTURES (Includes Mounting Arm, if Applicable) (Cont)				RATES		
		Lumen	Watts	kWh	Company Owned	Customer Owned
D. Decorative Transit		9,500 HPS	100	41	\$32.76 \$37.09	\$9.81 \$11.11
		16,000 HPS	150	69	32.57 36.88	5.57 6.31
		30,000 HPS	250	99	37.50 42.46	14.15 16.02
E. Flood		30,000 HPS	250	99	18.20 20.61	11.31 12.81
		50,000 HPS	400	153	22.57 25.56	15.69 17.77
		21,000 MH	250	101	19.43 22.00	11.95 13.53
		36,000 MH	400	159	23.69 26.82	16.21 18.35
F. Post Top	Colonial Gray	8,000 FL	100	38	16.37 18.54	4.62 5.23
		9,500 HPS	100	41	9.36 10.60	5.87 6.65
	Colonial Black	9,500 HPS	100	41	10.78 12.21	6.08 6.88
	Decorative Transit	9,500 HPS	100	41	28.68 32.47	9.04 10.24
G. FROZEN		4,000 INC	295	103	8.64 \$9.78	4.83 \$5.47
		7,000 MV	175	73	11.19 12.67	6.42 7.27
		10,000 MV	400	150	22.01 24.92	12.47 14.12
					1.52-1.72	--
Brackets over 8 ft. and up to 16 ft. in length						

- NOTES:
1. Company Owned fixtures are those fixtures that the Company installs, owns, operates, and maintains.
 2. Customer Owned fixtures are those fixtures where the customer installs and maintains the lighting fixtures, and the Company approves the installation, operates the fixtures, and replaces Company standard lamps only.
 3. Listed kWhs reflect the assigned monthly energy usage for each type of fixture and are used to determine any applicable transmission, system benefit, distribution, energy and adjustment charges.
 4. HPS = High Pressure Sodium
 5. MH = Metal Halide
 6. LPS = Low Pressure Sodium
 7. FL = Fluorescent
 8. INC = Incandescent. Incandescent lighting charges are applicable and available only to those customers being served and those installations in service on April 21, 1983.
 9. MV = Mercury Vapor. Mercury Vapor lighting charges are applicable and available only to those customers being served and those installation in service on June 1, 1987 in accordance with A.R.S. §49-1104(A).



RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE

RATES (cont)

II. POLES

			Height	RATES Company Owned
A. Anchor Base Mounted (Flush)	Round Steel	1 Simplex Adapter	12 ft.	\$10.75 12.17
			22 ft.	12.10 13.70
			25 ft.	13.09 14.82
			30 ft.	15.04 17.03
			32 ft.	15.80 17.89
	Round Steel	2 Simplex Adapters	12 ft.	11.46 12.98
			22 ft.	12.17 14.91
			25 ft.	13.73 15.55
			30 ft.	15.96 18.07
			32 ft.	17.03 19.28
	Square Steel	5"	13 ft.	12.32 13.95
			15 ft.	11.01 12.47
			23 ft.	13.06 14.79
			25 ft.	14.36 16.26
			28 ft.	15.94 18.05
			32 ft.	15.85 17.95
	Concrete		12 ft.	36.72 41.58
	Fiberglass		12 ft.	31.10 35.21
	Decorative Transit	4"	16 ft.	30.32 34.33
	Decorative Transit	6"	30 ft.	58.54 66.28
B. Anchor Base Mounted (Pedestal)	Round Steel	1 Simplex Adapter	12 ft.	10.34 11.71
			22 ft.	11.69 13.24
			25 ft.	12.67 14.35
			30 ft.	14.64 16.58
			32 ft.	15.38 17.41
	Round Steel	2 Simplex Adapters	12 ft.	11.05 12.51
			22 ft.	12.34 13.97
			25 ft.	13.32 15.08
			30 ft.	15.55 17.61
			32 ft.	16.61 18.81
	Square Steel	3 Bolt Arm	32 ft.	19.09 21.62
		5"	13 ft.	11.92 13.50
			15 ft.	12.19 13.80
			23 ft.	12.65 14.32
			25 ft.	13.95 15.80
			28 ft.	15.51 17.56
			32 ft.	16.10 18.23



RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE

RATES (cont)

II. POLES (cont)

		RATES	
		Height	Company Owned
C. Direct Bury	Round Steel	19 ft.	\$16.27 \$18.42
		30 ft.	12.70 14.38
		38 ft.	15.50 17.55
	Self Step	40 ft.	19.09 21.62
		49 ft.	57.40 64.99
	Square Steel	4" 34 ft.	14.02 15.87
		5" 20 ft.	13.31 15.07
		30 ft.	13.87 15.71
		38 ft.	15.06 17.05
	Decorative Transit	41 ft. 6	18.08 20.47
	Decorative Transit	47 ft.	22.52 25.50
	Steel Distribution Pole (for lighting	35 ft.	20.79 23.54
D. Post Top	Decorative Transit Anchor Base	16 ft.	30.97 35.07
	Gray Steel/Fiberglass	23 ft.	10.74 12.16
	Black Steel	23 ft.	11.84 13.41
E. FROZEN Wood Poles		30 ft.	7.90 8.95
		35 ft.	7.00 8.95
		40 ft.	11.24 12.73

- NOTES:
1. All distribution lines required to serve dusk to dawn facilities are owned by the Company.
 2. Monthly rates for all new Company owned poles include up to 100 feet of overhead secondary wire, or up to 100 feet of underground secondary line if customer provides earthwork and conduit (excluding the overhead to underground transition). Any additional wire required (over and above the first 100 feet provided) to install fixtures is subject to the additional monthly wire charges specified in Section IV.1 below.
 3. When adding lighting fixtures to an existing Company owned pole, any and all additional distribution wire required is subject to the additional monthly wire charges specified in Section IV.1 below.
 4. Any and all distribution wire required to serve lighting facilities placed on a customer owned pole, whether new or existing, is subject to the additional monthly wire charges specified in Section IV.1 below.

III. ANCHOR BASE

		RATES	
		Height	Company Owned
A. Flush		4 ft.	\$8.75 9.91
		6 ft.	10.44 11.82
B. Pedestal		8 ft.	11.96 13.54
	For 32' Round Steel Pole only	4 ft. 6"	8.29 9.39



**RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE**

IV. RATES FOR OPTIONAL OR ADDITIONAL EQUIPMENT

	RATES
	Company Owned
1. Each 100 feet of overhead secondary wire, or each 100 feet of underground secondary wire if customer provides earthwork and conduit.	\$3.09-\$3.50
2. Additional maintenance charge for HPS lamp and luminaire that is not accessible by bucket truck.	2.47-2.80
3. Additional maintenance charge for MH lamp and luminaire that is not accessible by bucket truck.	5.336.04

ADJUSTMENTS

1. ~~The Environmental Portfolio Surcharge shall be applied~~ bill is subject to every retail electric service ~~the Renewable Energy Standard~~ as set forth in the Company's Adjustment Schedule ~~EPS-1 or successor schedules as approved by the RES~~ pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission No. XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

SPECIAL PROVISIONS

1. The 4,000 and 7,000 lumen lamps use an open glass diffuser. All units are controlled by a photoelectric switch.
2. The customer is not authorized to make connections to the lighting circuits or to make attachments.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 5, 1962

A.C.C. No. 5745
Canceling A.C.C. No. 56685688
Rate Schedule E-47
Revision No. 4950
Effective: January 1, 2010



RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE

SPECIAL PROVISIONS (cont)

3. Should a customer request relocation of a dusk-to-dawn lighting installation, the costs of such relocation shall be paid by the customer.
4. The Company cannot guarantee that all dusk to dawn facilities will always operate as intended. Therefore, the customer will be responsible for notifying the Company when the dusk to dawn facilities are not operating as intended. The Company will use reasonable efforts to complete normal maintenance (replacement of lamps, photocontrols or fixtures) within ten (10) working days from notification by customer; however, if the maintenance requires cable replacement or repairs, the Company shall use reasonable efforts to complete said repairs within twenty (20) working days.
5. The customer's bill will not be reduced due to lamp, photocontrol or cable repair or replacement outages.
6. The customer may cancel a lighting service agreement by payment of the bill including the applicable tax adjustment, multiplied by the number of remaining months of the initial agreement, or the calculated installation and removal costs for the extension, whichever is lower.
7. Lighting equipment which is not specified in this rate schedule will be billed at the rates corresponding to the most similar equipment, as determined by the Company.

NON-STANDARD FACILITIES – CUSTOMER OWNED

When the customer requests any non-standard dusk-to-dawn lighting facilities (non-standard being defined as any equipment not listed in the Company's Transmission and Distribution Construction Standards book), the customer will own, operate and maintain all components to the system excluding the distribution facilities installed by the Company to serve the lighting system. Monthly bills rendered for non-standard facilities will be computed at the following rates, plus any adjustments incorporated in this schedule. KWh will be determined by the Company, based on the rated wattage of the lighting equipment and an estimated average hourly usage per month.

A.	Service Charge	\$2.96-3.35	per installed lamp per month
B.	Energy Charge	\$0.05604-0.06345	per kWh per month

If, at the Company's discretion, the customer chooses to have the Company maintain the entire non-standard facility, the Company may require the customer to enter into a separate maintenance agreement which may be subject to additional charges mutually agreed upon by the Company and the customer.

CONTRACT PERIOD

All Dusk-to-Dawn lighting installations will require a written agreement for service for a minimum of three (3) years, or longer at Company's option.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 5, 1962

A.C.C. No. 5745
Canceling A.C.C. No. 56685688
Rate Schedule E-47
Revision No. 4950
Effective: January 1, 2010



RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 5, 1962

A.C.C. No. 5745
Canceling A.C.C. No. ~~5668~~5688
Rate Schedule E-47
Revision No. 4950
Effective: January 1, 2010



**RATE SCHEDULE E-51
CLASSIFIED SERVICE
OPTIONAL ELECTRIC SERVICE FOR QF's OVER 100 kW**

This rate schedule is cancelled, effective January 1, 2010 per A.C.C. Decision No. 69663 and A.C.C. Decision No. XXXXX.

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable only to qualified cogeneration and small power production facilities greater than 100 kW that meet qualifying status as defined under 18 CFR, Chapter 1, Part 292, Subpart B of the Federal Energy Regulatory Commission regulations and pursuant to Arizona Corporation Commission Decision No. 52345. The facility's generator(s) and load must be located at the same site.

Applicable only to those customers being served on the Company's Rate Schedule E-51 prior to July 1, 1996.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by the customer subject to availability at the customer's site.

RATES

The bill shall be the sum of the amounts computed under A., B., C., and D. below, including any applicable adjustments:

A. Basic Service

Cogeneration Basic Service Charge: \$ 0.276 per day

Generation Meter Charge: \$ 0.828 per day per meter

B. Supplemental Service

Supplemental service will be provided in accordance with the rate levels contained in General Service Rate Schedule E-32 or E-34, whichever is applicable based upon Customer's maximum Supplemental demand.

ARIZONA PUBLIC SERVICE COMPANY

A.C.C. No. 5669

Phoenix, Arizona

Cancelling A.C.C. No. 5592

Filed by: David J. Rumolo

Rate Schedule E-51

Title: Manager, Regulation and Pricing

Revision No. 16

Original Effective Date: March 16, 1989

Effective: July 1, 2007



RATE SCHEDULE E-51
CLASSIFIED SERVICE
OPTIONAL ELECTRIC SERVICE FOR QF's OVER 100 kW

C. Standby Service

Monthly Reservation Charge: \$ 2.488 per kW of Contract Standby Capacity

The Monthly Reservation Charge will be adjusted in accordance with the Determination of Monthly Reservation Charge paragraph below.

Standby Energy Charge:

May - October Billing Cycles (Summer)	November - April Billing Cycles (Winter)
\$0.05802 per kWh during On Peak hours, plus \$0.03342 per kWh during Off Peak hours	\$0.04471 per kWh during On Peak hours, plus \$0.03342 per kWh during Off Peak hours

RATES (cont)

D. Maintenance Service

Maintenance Energy: \$0.03342 per kWh

DETERMINATION OF MONTHLY RESERVATION CHARGE

For initial service, the Monthly Reservation Charge shall be: the product of (\$24.88/kW multiplied by a Forced Outage Rate (FOR) of 10%) multiplied by the customer's applicable Contract Standby Capacity. At the end of the first 6 summer billing months, the initial FOR of 10% will be replaced by the actual FOR experienced by the cogeneration system during on peak summer hours. The customer's summer on peak FOR will then be reevaluated annually each November for the preceding 12 month period to be used in the calculation of the customer's Reservation Charge for the current and succeeding 11 months.

DETERMINATION OF SUPPLEMENTAL SERVICE

Supplemental service shall be defined as demand and energy contracted by the customer to augment the power and energy generated by the customer's generation facility.

ARIZONA PUBLIC SERVICE COMPANY

Phoenix, Arizona

Filed by: David J. Rumolo

Title: Manager, Regulation and Pricing

Original Effective Date: March 16, 1989

Page 1 of 6

A.C.C. No. 5669

Canceling A.C.C. No. 5592

Rate Schedule E-51

Revision No. 16

Effective: July 1, 2007



**RATE SCHEDULE E-51
CLASSIFIED SERVICE
OPTIONAL ELECTRIC SERVICE FOR QF's OVER 100 kW**

Supplemental demand shall be equal to the maximum 15 minute integrated kW demand as calculated for every 15-minute interval as the demand of the Supply meter plus the demand of the Generator meter(s) less the Contract Standby Capacity of the customer's cogenerator(s).

Supplemental energy shall be equal to all energy supplied to the customer as determined from readings of the Supply meter, less any energy determined to be either Standby or Maintenance energy as defined in this Schedule.

DETERMINATION OF STANDBY ENERGY

Standby Energy shall be defined to be electric energy supplied by Company to replace power ordinarily generated by the customer's generation facility during unscheduled full and partial outages of said facility.

When the sum of the energy measured on both the Supply and Generator(s) Meters is greater than the maximum energy output of the generator(s) at Contract Standby Capacity, the Standby Energy shall be equal to the summation of the differences between the maximum energy output of the generator(s) at Contract Standby Capacity and the energy measured on the Generator Meter(s) for every 15-minute interval of the month, except when maintenance power is being utilized or those intervals where energy measured on the Supply Meter is zero. When the sum of the energy measured on both the Supply and Generator(s) Meters is less than the maximum energy output of the generator(s) at Contract Standby Capacity, then the Standby energy shall be that energy measured on the Supply Meter.

All Standby Energy exceeding 250 kWh/kW of Contract Standby Capacity in a billing period will be billed at the otherwise applicable rate for Supplemental Service.

ARIZONA PUBLIC SERVICE COMPANY

Phoenix, Arizona

Filed by: David J. Rumolo

Title: Manager, Regulation and Pricing

Original Effective Date: March 16, 1989

Page 1 of 6

A.C.C. No. 5669

Cancelling A.C.C. No. 5592

Rate Schedule E-51

Revision No. 16

Effective: July 1, 2007



RATE SCHEDULE E-51
CLASSIFIED SERVICE
OPTIONAL ELECTRIC SERVICE FOR QF's OVER 100 kW

DETERMINATION OF MAINTENANCE ENERGY

Maintenance energy shall be defined as energy supplied to the customer up to a maximum of the Contract Standby Capacity times the hours in the Scheduled Maintenance period for that energy used only during the Scheduled Maintenance period. Maintenance periods shall not exceed 30 days per cogeneration unit during any consecutive 12-month period and must be scheduled during the winter billing months. The customer shall supply the Company with a Maintenance Schedule for a 12-month period at least 60 days prior to the beginning of that period, which shall be subject to Company approval. Energy used in excess of a 30-day period or unauthorized maintenance energy shall be billed on either the Standby or Supplemental Rate as specified in this Schedule.

METERING

The Company will install a Supply Meter at its point of delivery to the customer and a Generator Meter(s) at the point(s) of output from each of the customer's generators. All meters will record integrated demand and energy on the same 15-minute interval basis as specified by the Company.

DEFINITIONS

1. ~~Contract Standby Capacity~~ — the measured kW output of each cogeneration unit at time of start-up test, which will be re-evaluated annually each November and specified in the customer's Agreement for Service, however, not to exceed the customer's actual total load.
2. ~~Forced Outage Rate~~ — the ratio of the standby energy used during the customer's summer on-peak hours to the product of the Contract Standby Capacity multiplied by the customer's total summer on-peak hours.
3. ~~Generator Meter~~ — the time-of-use meter used to measure in 15-minute intervals the total power and energy output of each of the customer's cogeneration units.
4. ~~Supply Meter~~ — the time-of-use meter used to measure in 15-minute intervals the total power and energy supplied by the Company to the customer.
5. Time Periods — On Peak Period: 11 a.m. — 9 p.m. Monday through Friday
Off Peak Period: All Other Hours

Mountain Standard Time shall be used in the application of this rate schedule.

POWER FACTOR

ARIZONA PUBLIC SERVICE COMPANY	A.C.C. No. 5669
Phoenix, Arizona	Canceling A.C.C. No. 5592
Filed by: David J. Rumolo	Rate Schedule E-51
Title: Manager, Regulation and Pricing	Revision No. 16
Original Effective Date: March 16, 1989	Effective: July 1, 2007

Page 1 of 6



**RATE SCHEDULE E-51
CLASSIFIED SERVICE
OPTIONAL ELECTRIC SERVICE FOR QF's OVER 100 kW**

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVa may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

ADJUSTMENTS

1. The Environmental Portfolio Surcharge shall be applied to every retail electric service as set forth in the Company's Adjustment Schedule EPS-1 or successor schedules as approved by the Arizona Corporation Commission.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 69663.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.

ARIZONA PUBLIC SERVICE COMPANY

Phoenix, Arizona

Filed by: David J. Rumolo

Title: Manager, Regulation and Pricing

Original Effective Date: March 16, 1989

A.C.C. No. 5669

Canceled A.C.C. No. 5592

Rate Schedule E-51

Revision No. 16

Effective: July 1, 2007



RATE SCHEDULE E-51
CLASSIFIED SERVICE
OPTIONAL ELECTRIC SERVICE FOR QF's OVER 100 kW

7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.

8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

TERMINATION PROVISION

Should the customer cease to operate his cogeneration unit(s) for 60 consecutive days during periods other than planned scheduled maintenance periods, the Company reserves the option to terminate the Agreement for service under this rate schedule with the customer.

CONTRACT PERIOD

Any applicable contract period will be set forth in the Company's standard Agreement for Service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ARIZONA PUBLIC SERVICE COMPANY

A.C.C. No. 5669

Phoenix, Arizona

Cancelling A.C.C. No. 5592

Filed by: David J. Rumolo

Rate Schedule E-51

Title: Manager, Regulation and Pricing

Revision No. 16

Original Effective Date: March 16, 1989

Effective: July 1, 2007



RATE SCHEDULE E-55
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE 3,000 kW OR GREATER

This rate schedule is cancelled, effective January 1, 2010 per A.C.C. Decision No. 69663 and A.C.C. Decision No. XXXXX.

AVAILABILITY

This rate schedule is available in all territory served by Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the premises served and when all applicable provisions described herein have been met.

APPLICATION

This rate schedule is applicable to any non-residential Standard Offer customer requiring Partial Requirements services, Supplemental Power, Standby Power or Maintenance Energy with an aggregate Partial Requirements service load of no less than 3,000 kW. Customer may elect to take any of the Partial Requirements services offered hereunder (Supplemental Power, Standby Power and Maintenance Power) independently of one another or in combination with one another as required.

Customers having Standby Service requirements not exceeding 2,999 kW shall be allowed to designate specific periods and hours within a month for which utilization of Standby Service is required (see Designated Standby Service Hours).

Direct Access customers are not eligible for service under this schedule.

Additionally, this rate schedule is applicable only to customers being served on the Company's Rate Schedule E-55 prior to July 1, 2007.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by Customer subject to availability at Customer's premise.

RATES

The bill shall be the sum of the amounts computed under A., B., C., and D. below, including any applicable adjustments:

A. — Basic Service

ARIZONA PUBLIC SERVICE COMPANY	A.C.C. No. 5670
Phoenix, Arizona	Cancelling A.C.C. No. 5594
Filed by: David J. Rumolo	Rate Schedule E-55
Title: Manager, Regulation and Pricing	Revision No. 8
Original Effective Date: March 16, 1989	Effective: July 1, 2007
Page 1 of 11110	



RATE SCHEDULE E-55
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE 3,000 kW OR GREATER

~~Cogeneration Basic Service Charge:~~

~~For applications no greater than 15,000 kW: \$ 54.950 per day, or~~

~~For applications greater than 15,000 kW: \$ 54.950 per day, plus
an adder for recovery of non-standard metering costs and related O&M expenses as set forth in
an Agreement for Service~~

~~Generation Meter Charge: \$ 2.055 per day per meter~~

ARIZONA PUBLIC SERVICE COMPANY

A.C.C. No. 5670

Phoenix, Arizona

Canceling A.C.C. No. 5594

Filed by: David J. Rumolo

Rate Schedule E-55

Title: Manager, Regulation and Pricing

Revision No. 8

Original Effective Date: March 16, 1989

Effective: July 1, 2007



RATE SCHEDULE E-55
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE 3,000 kW OR GREATER

RATES (cont)

B. — Supplemental Service

Supplemental service will be provided in accordance with the rate levels contained in General Service Rate Schedule E-32, excluding the monthly Basic Service Charge (or Rate Schedule E-34 if Supplemental Power requirements are 3,000 kW or more).

C. — Standby Service

The monthly charge for Standby Service shall be the sum of the amounts computed in accordance with sections 1, 2 and 3 below:

1. For customers taking service at voltage levels of less than 69 kV, a Monthly Reservation Charge of either a, b, c or d:

a) \$ 4.21 per kW of Contract Standby Capacity for Standby Service customers with alternate supply resources demonstrating an aggregate Capacity Factor of 95% or greater during the billing month.

b) \$ 5.14 per kW of Contract Standby Capacity for Standby Service customers with alternate supply resources demonstrating an aggregate Capacity Factor between 90% — 94.9% during the billing month.

c) \$ 6.77 per kW of Contract Standby Capacity for Standby Service customers with alternate supply resources demonstrating an aggregate Capacity Factor between 80% — 89.9% during the billing month.

d) Standby Service customers whose alternate supply resource(s) achieved an aggregate capacity factor of less than 80% during a billing month shall be assessed the same charge as set forth in Section VIII.A of this rate schedule.

2. For customers who take service at voltage levels of 69 kV or greater, a Monthly Reservation Charge of either a, b, c or d:

a) \$ 1.45 per kW of Contract Standby Capacity for Standby Service customers with alternate supply resources demonstrating an aggregate Capacity Factor of 95% or greater during the billing month.

ARIZONA PUBLIC SERVICE COMPANY

A.C.C. No. 5670

Phoenix, Arizona

Canceling A.C.C. No. 5594

Filed by: David J. Rumolo

Rate Schedule E-55

Title: Manager, Regulation and Pricing

Revision No. 8

Original Effective Date: March 16, 1989

Effective: July 1, 2007



**RATE SCHEDULE E-55
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE 3,000 kW OR GREATER**

~~b) \$ 2.30 per kW of Contract Standby Capacity for Standby Service customers with alternate supply resources demonstrating an aggregate Capacity Factor between 90% - 94.9% during the billing month.~~

~~c) \$ 4.11 per kW of Contract Standby Capacity for Standby Service customers with alternate supply resources demonstrating an aggregate Capacity Factor between 80% - 89.9% during the billing month.~~

~~d) Standby Service customers whose alternate supply resource(s) achieved an aggregate capacity factor of less than 80% during a billing month shall be assessed the same charge as set forth in Section VIII.B of this rate schedule.~~

RATES (cont)

~~C. Standby Service (cont)~~

~~3. Standby Energy Charge:~~

June - October Billing Cycles (Summer)	November - May Billing Cycles (Winter)
\$0.03040 per kWh during On Peak hours, plus \$0.01616 per kWh during Off Peak hours	\$0.02605 per kWh during On Peak hours, plus \$0.01033 per kWh during Off Peak hours

~~This rate schedule is hereby cancelled, effective XXXXX.~~

~~The charges for Standby Service contained in Section C herein reflect the Company's costs to serve Standby Service loads. For applications where the charges for Standby Service stated herein are not competitive with customer installed standby resource alternatives, the Company may negotiate alternate Monthly Reservation Charges from those contained in this rate schedule; however, the maximum discount allowed shall not be greater than fifty percent (50%) of the Reservation Charges stated herein; however, such discount shall not result in a reservation charge lower than the Company's long run capacity costs associated with this service. No changes to the Standby Energy Charge rate component shall be allowed.~~

ARIZONA PUBLIC SERVICE COMPANY

A.C.C. No. 5670

Phoenix, Arizona

Cancelling A.C.C. No. 5594

Filed by: David J. Rumolo

Rate Schedule E-55

Title: Manager, Regulation and Pricing

Revision No. 8

Original Effective Date: March 16, 1989

Effective: July 1, 2007



PARTIAL REQUIREMENTS SERVICE 3,000 kW OR GREATER

**RATE SCHEDULE E-55
CLASSIFIED SERVICE**

To be eligible for negotiated Monthly Reservation Charges different than those contained herein, the customer must demonstrate to the Company's satisfaction and provide conclusive documentation (e.g., engineering studies, analysis, etc.) that the customer's on-site self-generation resource(s) would be a lower cost option over the life of the equipment than had the customer subscribed to Standby Service from the Company. Notwithstanding the potential competitiveness of the customer's self-generation standby facilities, the Company in its sole opinion, shall have the option of not offering any discounts to the otherwise applicable Reservation Charge.

D. Maintenance Service

Maintenance Energy: \$0.02605 per kWh during On Peak hours, plus
\$0.01033 per kWh during Off Peak hours

E. Energy Rates

The energy rates in Sections C and D above are based on the Company's estimated marginal costs and will be updated annually to reflect changes in the Company's fuel costs.

DETERMINATION OF SUPPLEMENTAL SERVICE

Supplemental service shall be defined as demand and energy contracted by the customer to augment the power and energy generated by the customer's generation facility.

ARIZONA PUBLIC SERVICE COMPANY

Phoenix, Arizona

Filed by: David J. Rumolo

Title: Manager, Regulation and Pricing

Original Effective Date: March 16, 1989

Page 1 of 11110

A.C.C. No. 5670

Canceling A.C.C. No. 5594

Rate Schedule E-55

Revision No. 8

Effective: July 1, 2007



RATE SCHEDULE E-55
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE 3,000 kW OR GREATER

SUPPLEMENTAL SERVICE (cont)

Supplemental demand shall be the highest 15 minute interval during the billing month which shall equal (a) the 15 minute integrated kW demand calculated for every 15 minute interval as recorded on the Supply Meter, plus (b) the simultaneous 15 minute integrated kW demand as recorded on the Generator Meter(s), less (c) the aggregate Contract Standby Capacity of all the customer's generating units; however, the result shall never be less than zero (0) for purposes of determining Supplemental Demand. If Company authorized scheduled maintenance was being performed on any of the customer's generators at the time of the highest 15 minute interval during the billing month, the amount of demand recorded on the Supply Meter shall be reduced by the applicable Maintenance Power Level (as determined in Section VII hereof) of the generator unit(s) undergoing authorized scheduled maintenance for purposes of calculating supplemental demand used for billing.

The customer's maximum Supplemental Service kW requirements shall not exceed that established in the Electric Supply Agreement.

Supplemental energy shall be equal to all energy supplied to the customer as determined from readings of the Supply Meter, less any energy determined to be either Standby or Maintenance energy as defined in this Schedule.

DETERMINATION OF STANDBY ENERGY

Standby Energy shall be defined to be electric energy supplied by the Company to replace power ordinarily generated by the customer's generation facility during unscheduled full and partial outages of said facility.

When the sum of the energy measured on both the Supply and Generator(s) Meters during simultaneous periods is greater than the maximum energy output of the generator(s) at Contract Standby Capacity, the Standby Energy shall be equal to the summation of the differences between the maximum energy output of the generator(s) at Contract Standby Capacity and the energy measured on the Generator Meter(s) for every 15 minute interval of the month, except when maintenance power is being utilized or those intervals where energy measured on the Supply Meter is zero. When the sum of the energy measured on both the Supply and Generator(s) Meter is equal to or less than the maximum energy output of the generator(s) at Contract Standby Capacity, then the Standby energy shall be that energy measured on the Supply Meter.

DETERMINATION OF MAINTENANCE ENERGY

ARIZONA PUBLIC SERVICE COMPANY

A.C.C. No. 5670

Phoenix, Arizona

Canceling A.C.C. No. 5594

Filed by: David J. Rumolo

Rate Schedule E-55

Title: Manager, Regulation and Pricing

Revision No. 8

Original Effective Date: March 16, 1989

Effective: July 1, 2007



RATE SCHEDULE E-55
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE 3,000 kW OR GREATER

~~Maintenance energy shall be defined as energy supplied to the customer to replace energy normally supplied by the customer's generator(s) during an authorized Scheduled Maintenance period.~~

~~Maintenance periods shall not exceed 30 days per cogeneration unit during any consecutive 12-month period and must be scheduled during the non-Summer billing months. The customer shall provide the Company with its planned maintenance schedule 12 months in advance of any planned maintenance in order for the Company to coordinate customer's scheduled maintenance with that of the Company. Upon review, the Company shall either approve customer's planned maintenance schedule or notify customer of alternate acceptable periods. The customer, in turn, shall notify the Company of an acceptable alternate maintenance period(s), and shall also confirm with the Company its intention to perform its planned maintenance 45 days prior to the actual commencement date of the planned maintenance period.~~

~~Any energy used in excess of a 30-day period or unauthorized maintenance energy shall be billed on either the Standby or Supplemental Rate as specified in this Schedule.~~

ARIZONA PUBLIC SERVICE COMPANY

A.C.C. No. 5670

Phoenix, Arizona

Cancelling A.C.C. No. 5594

Filed by: David J. Rumolo

Rate Schedule E-55

Title: Manager, Regulation and Pricing

Revision No. 8

Original Effective Date: March 16, 1989

Effective: July 1, 2007



RATE SCHEDULE E-55
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE 3,000 kW OR GREATER

DETERMINATION OF MAINTENANCE ENERGY (cont)

Maintenance energy, during a Company authorized period of scheduled maintenance to a customer's generation unit(s), shall be determined as follows:

~~Maintenance Power Level = (Contract Standby Capacity) X (Generating Unit(s) Capacity Factor for the most recent 12 months)~~

~~The maintenance power level as determined by the above formula shall not exceed any actual 15 minute interval of integrated kW demand as recorded on the supply meter.~~

~~If the customer has less than 12 months of billing history on Standby Service, use the capacity factor demonstrated to date; however, not less than one full month.~~

~~Maintenance Energy = (Maintenance Power Level) X (hours of maintenance authorized by Company during billing month)~~

CAPACITY FACTOR STANDARDS

~~The customer's generating unit(s) must maintain a Capacity Factor of no less than 75% over a continuous rolling 18 month period to remain eligible to receive Standby Service under this rate schedule. The calculation of the Capacity Factor is designed so that the customer shall not be subject to this Capacity Factor Standard provision for any purpose other than substandard operational performance of the customer's generating unit(s) recognizing that the customer's load profile may not require the full output capability of such generation unit(s). If the Capacity Factor falls below 75%, in lieu of the otherwise applicable Reservation Charge for Standby Service, the customer shall be assessed a monthly Reservation Charge the greater of:~~

~~A. For customers taking service at voltage levels of less than 69 kV:~~

~~1. \$ 21.28 per kW/month X 2/3 X Contract Standby Capacity; or~~

~~2. \$ 21.28 per kW/month X Maximum Standby Capacity~~

~~(If customer's system is directly interconnected with the Company's bulk transmission system, the applicable Reservation Charge shall be \$ 18.05 per kW per month.)~~

~~B. For customers who take service at voltage levels of 69 kV or greater:~~

~~1. \$ 18.94 per kW/month X 2/3 X Contract Standby Capacity; or~~

ARIZONA PUBLIC SERVICE COMPANY

Phoenix, Arizona

Filed by: David J. Rumolo

Title: Manager, Regulation and Pricing

Original Effective Date: March 16, 1989

Page 1 of 11110

A.C.C. No. 5670

Canceled A.C.C. No. 5594

Rate Schedule E-55

Revision No. 8

Effective: July 1, 2007



RATE SCHEDULE E-55
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE 3,000 kW OR GREATER

~~2. \$ 18.94 per kW/month X Maximum Standby Capacity~~

~~(If customer's system is directly interconnected with the Company's bulk transmission system, the applicable Reservation Charge shall be \$ 18.11 per kW per month.)~~

ARIZONA PUBLIC SERVICE COMPANY

A.C.C. No. 5670

Phoenix, Arizona

Canceled A.C.C. No. 5594

Filed by: David J. Rumolo

Rate Schedule E-55

Title: Manager, Regulation and Pricing

Revision No. 8

Original Effective Date: March 16, 1989

Effective: July 1, 2007



RATE SCHEDULE E-55
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE 3,000 kW OR GREATER

CAPACITY FACTOR STANDARDS (cont)

~~Maximum Standby Capacity is the maximum 15 minute interval of Standby Power provided to the customer by the Company during the billing month. Maximum Standby Capacity shall equal the highest 15 minute interval during the billing month of the following calculation:~~

~~MSC = Σ CSC - Maint.~~

~~Where:~~

~~MSC = Maximum 15 minute interval during the billing month of Standby Power (kW) being supplied by Company.~~

~~Σ CSC = The aggregate Contract Standby Capacity of all the customer's self generation units.~~

~~Maint = The simultaneous 15 minute interval of any Maintenance Power (kW) being supplied to the customer by the Company.~~

METERING

~~The Company will install a Supply Meter at its point of delivery to the customer and a Generator Meter(s) at the point(s) of output from each of the customer's generators. All meters will record integrated demand and energy on the same 15 minute interval basis as specified by the Company.~~

DEFINITIONS

~~1. Contract Standby Capacity - for each specific customer generating unit for which the Company is providing Standby Service. Contract Standby Capacity shall be the greater of: a) the measured kW output of each customer self generation unit at time of start-up test, or b) the highest 15 minute measured kW output of each generating unit, however, not to exceed the customer's actual total load.~~

~~3. Generator Meter - the time-of-use meter used to measure in 15 minute intervals the total power and energy output of each cogeneration unit.~~

~~4. Designated Standby Service Hours - Customers requiring Standby Service for less than the total hours in a billing month shall be allowed to designate those periods and hours of a month when Standby Service is required. These Designated Standby Service Hours shall represent those hours within a billing month during which the customer is authorized to utilize Standby~~

ARIZONA PUBLIC SERVICE COMPANY

A.C.C. No. 5670

Phoenix, Arizona

Canceling A.C.C. No. 5594

Filed by: David J. Rumolo

Rate Schedule E-55

Title: Manager, Regulation and Pricing

Revision No. 8

Original Effective Date: March 16, 1989

Effective: July 1, 2007



RATE SCHEDULE E-55
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE 3,000 kW OR GREATER

~~Service. Use during any period or hours other than Designated Standby Service Hours shall represent an Unauthorized Use of Standby Service subject to certain special provisions for determining the appropriate Capacity Factor value during billing periods when unauthorized Standby Service was utilized. Such hours shall be specified in whole hour intervals beginning on an hour for each designated day of the week. Designated Standby Service Hours shall never total less than 365 hours a billing month. This provision is applicable only to those customers whose Standby Service requirements are less than 3,000 kW.~~

ARIZONA PUBLIC SERVICE COMPANY

Phoenix, Arizona

Filed by: David J. Rumolo

Title: Manager, Regulation and Pricing

Original Effective Date: March 16, 1989

A.C.C. No. 5670

Canceling A.C.C. No. 5594

Rate Schedule E-55

Revision No. 8

Effective: July 1, 2007



RATE SCHEDULE E-55
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE 3,000 kW OR GREATER

DEFINITIONS (cont)

5. Capacity Factor — for purposes of this rate schedule, capacity factor shall mean the capacity factor of the customer's generating unit(s) and shall not reflect any period of time during a billing month that Company authorized Maintenance Power was being utilized. The Capacity factor shall be calculated in accordance with the following formula:

$$\text{Capacity Factor} = \frac{\text{Actual customer generated kWh's during the billing month}}{A}$$

For purposes of use in this rate schedule, the value of the capacity factor calculation shall never exceed 100%.

Where:

A = The lesser of: a) $[(\text{Contract Standby Capacity}) \times (\text{MH})]$; or
b) CTL

For customers having Standby Service Requirements of 3,000 kW or greater:

MH = Hours in the billing month exclusive of any hours during the billing month that the customer's unit(s) were non-operational during Company authorized scheduled maintenance.

CTL = The customer's maximum total load during the billing month as determined by the total energy generated on customer's generating unit as recorded on the Generator Meter plus all energy provided by Company during the billing month (exclusive of maintenance energy) as recorded on the Supply Meter.

For customers having Standby Service Requirements of less than 3,000 kW:

MH = The number of Designated Standby Service Hours in the billing month, exclusive of any hours during the billing month that customer's unit(s) were non-operational during Company authorized scheduled maintenance, for which the customer has contracted for Standby Service (but not less than 365 hours per billing month).

In the event the customer utilizes Standby Service in any period other than during Designated Standby Service Hours, MH shall be represented as the actual number of hours in the billing month (exclusive of any hours during which the customer was receiving Company authorized scheduled Maintenance Energy).

ARIZONA PUBLIC SERVICE COMPANY

Phoenix, Arizona

Filed by: David J. Rumolo

Title: Manager, Regulation and Pricing

Original Effective Date: March 16, 1989

Page 1 of 11110

A.C.C. No. 5670

Canceled A.C.C. No. 5594

Rate Schedule E-55

Revision No. 8

Effective: July 1, 2007



RATE SCHEDULE E-55
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE 3,000 kW OR GREATER

~~Furthermore, in the event there are more than two (2) instances in any 12 month rolling period of Unauthorized Use of Standby Service, MH shall be represented as the actual number of hours in the billing month (exclusive of any hours during which the customer was receiving Company authorized scheduled Maintenance Energy) for the month during which the third breach of service occurred, and for the next three months thereafter. At the end of any three month period, a new twelve (12) month rolling period shall commence for determining the number of instances of Unauthorized Use.~~

ARIZONA PUBLIC SERVICE COMPANY

A.C.C. No. 5670

Phoenix, Arizona

Canceling A.C.C. No. 5594

Filed by: David J. Rumolo

Rate Schedule E 55

Title: Manager, Regulation and Pricing

Revision No. 8

Original Effective Date: March 16, 1989

Effective: July 1, 2007



RATE SCHEDULE E-55
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE 3,000 kW OR GREATER

DEFINITIONS (cont)

CTL = Customer's maximum total load during the billing month during the Designated Standby Service Hours for which the customer has contracted for Standby Service (but not less than 365 hours per month) as determined by the total of energy generated on the customer's generating unit as recorded on the Generator Meter plus all energy provided by the Company during the billing month (exclusive of maintenance energy) as recorded on the Supply Meter.

CTL shall represent the customer's maximum total load during the hours in the billing month for which use of Standby Service has been authorized as set forth in the definition of Designated Standby Service Hours. CTL shall be calculated by first adding the maximum simultaneous 15-minute kW peak periods as recorded on the Supply Meter and Generator Meter(s) during authorized periods of Standby Service the sum of which is then multiplied by MH.

In the event the customer utilizes Standby Service during any period of a billing month other than those authorized, CTL shall represent the customer's maximum total load (peak demand) during the billing month calculated as the sum of the maximum simultaneous 15-minute kW peak period during the billing period recorded on the Supply Meter and the Generator Meter(s) during all hours of the billing month. CTL shall be similarly calculated for any other months during which the provision for breach of service explained in the definition of MH above is being assessed.

CTL shall only be used for calculating Capacity Factor in those months where the customer's maximum kW load is less than total Contract Standby Capacity.

5. ~~Supply Meter~~ the time of use meter used to measure in 15 minute intervals the total power and energy supplied by Company to Customer.

6. Time Periods On Peak Period: 9 a.m. - 9 p.m. Monday through Friday
 Off Peak Period: All Other Hours

Mountain Standard Time shall be used in the application of this rate schedule. In addition, to prevent radical changes in the system loads the beginning and ending hours for individual customers may be varied by up to one hour (total hours in each time period to remain unchanged) and because of potential differences of the timing devices, there may be a variation of up to 15 minutes in timing for the pricing periods.

7. ~~Unauthorized Use~~ any period or hour of the month that the customer utilized Standby Service other than Designated Standby Service Hours.

ARIZONA PUBLIC SERVICE COMPANY _____ A.C.C. No. 5670
Phoenix, Arizona _____ Canceling A.C.C. No. 5594
Filed by: David J. Rumolo _____ Rate Schedule E-55
Title: Manager, Regulation and Pricing _____ Revision No. 8
Original Effective Date: March 16, 1989 _____ Effective: July 1, 2007
Page 1 of 11110



RATE SCHEDULE E-55
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE 3,000 kW OR GREATER

CHANGE IN DESIGNATED STANDBY SERVICE HOURS

Customers for which Designated Standby Service Hours are applicable shall be allowed no more than one (1) change in their Designated Standby Service Hours during any eighteen (18) month time period. In no event shall the total of Designated Standby Service Hours during a month fall below 365 hours.

ARIZONA PUBLIC SERVICE COMPANY

A.C.C. No. 5670

Phoenix, Arizona

Canceling A.C.C. No. 5594

Filed by: David J. Rumolo

Rate Schedule E-55

Title: Manager, Regulation and Pricing

Revision No. 8

Original Effective Date: March 16, 1989

Effective: July 1, 2007



RATE SCHEDULE E-55
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE 3,000 kW OR GREATER

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVa may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

ADJUSTMENTS

1. The Environmental Portfolio Surcharge shall be applied to every retail electric service as set forth in the Company's Adjustment Schedule EPS-1 or successor schedules as approved by the Arizona Corporation Commission.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 69663.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.

ARIZONA PUBLIC SERVICE COMPANY

A.C.C. No. 5670

Phoenix, Arizona

Canceling A.C.C. No. 5594

Filed by: David J. Rumolo

Rate Schedule E-55

Title: Manager, Regulation and Pricing

Revision No. 8

Original Effective Date: March 16, 1989

Effective: July 1, 2007



RATE SCHEDULE E-55
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE 3,000 kW OR GREATER

6. ~~Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.~~
7. ~~The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.~~
8. ~~The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.~~

TERMINATION PROVISION

~~Should the customer cease to operate his cogeneration unit(s) for 60 consecutive days during periods other than planned scheduled maintenance periods, the Company reserves the option to terminate the Agreement for service under this rate schedule with the customer.~~

CONTRACT PERIOD

~~Any applicable contract period will be set forth in the Electric Supply Agreement between the Company and the customer.~~

TERMS AND CONDITIONS

~~Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.~~

~~The customer must enter into an Agreement for the Interconnection and The Sale of Power with Company and an Electric Supply Agreement which shall establish all pertinent details related to interconnection and other required service standards. The customer will not have the option to sell power and energy to the Company under this tariff. Should the customer desire to do so, the customer would be required to enter into a new Service Agreement which~~

ARIZONA PUBLIC SERVICE COMPANY	A.C.C. No. 5670
Phoenix, Arizona	Canceled A.C.C. No. 5594
Filed by: David J. Rumolo	Rate Schedule E-55
Title: Manager, Regulation and Pricing	Revision No. 8
Original Effective Date: March 16, 1989	Effective: July 1, 2007

Page 1 of 11110



**RATE SCHEDULE E-55
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE 3,000 kW OR GREATER**

would set forth the applicable purchase rate in addition terms and conditions for interconnection and for the sale of power to the Company.

The customer will be required to contract for adequate standby power to cover the total output of all the customer's generators unless adequate facilities have been installed, to the satisfaction of APS, that isolate portions of the customer's load from APS' system so that APS will in no event be providing standby service in excess of Contracted Standby Capacity.

FROZEN

ARIZONA PUBLIC SERVICE COMPANY

A.C.C. No. 5670

Phoenix, Arizona

Cancelling A.C.C. No. 5594

Filed by: David J. Rumolo

Rate Schedule E-55

Title: Manager, Regulation and Pricing

Revision No. 8

Original Effective Date: March 16, 1989

Effective: July 1, 2007



RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE

AVAILABILITY

This rate schedule is available in those portions of cities, towns and unincorporated communities in which Company does a general retail electric business and where Company has installed a multiple or series street lighting system of adequate capacity for the service to be rendered.

APPLICATION

This rate schedule is applicable to service for lighting public streets, alleys, thoroughfares, public parks and playgrounds from dusk to dawn by use of Company's facilities where such service for the entire area is contracted for from the Company by the city, town, other governmental agencies, or a responsible individual for unincorporated communities. Dusk is defined as the time between sunset and full night when a photocontrol senses the lack of sufficient sunlight and turns on the lights. Dawn is defined as the time between full night and sunrise when a photocontrol senses sufficient sunlight to turn off lights.

RATES

The bill shall be computed at the following rates for each type of standard facility and/or service utilized to provide street lighting, plus any adjustments incorporated in this schedule:

I. FIXTURES (Includes Mounting Arm, if Applicable)

	RATES				
	Lumen	Watts	kWh	Investment by Company	Investment by Others
A. Acorn	9,500 HPS	100	41	\$ 23.90-27.06	\$8.14\$9.22
	16,000 HPS	150	69	26.5330.04	10.2911.65
B. Architectural	9,500 HPS	100	41	13.5815.38	6.487.34
	16,000 HPS	150	69	15.8617.96	8.679.82
	30,000 HPS	250	99	18.8221.31	11.1312.60
	50,000 HPS	400	153	23.2226.29	16.0118.13
	14,000 MH	175	72	19.0021.51	10.4111.79
	21,000 MH	250	101	21.5724.42	12.8414.54
	36,000 MH	400	159	26.9730.54	17.6620.00
	8,000 LPS	55	30	19.7422.35	8.679.82
	13,500 LPS	90	50	23.2826.36	10.4611.84
	22,500 LPS	135	72	26.5930.11	12.7614.45
	33,000 LPS	180	90	31.9936.22	15.0317.02
C. Cobra/Roadway	5,800 HPS	70	29	7.718.73	4.565.16
	9,500 HPS	100	41	9.0810.28	5.5856.32
	16,000 HPS	150	69	11.3712.87	7.798.82
	30,000 HPS	250	99	13.7115.52	10.1211.46
	50,000 HPS	400	153	18.6021.06	14.4616.37



RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE

I. FIXTURES (Includes Mounting Arm, if Applicable) (cont):

				RATES	
				Investment by Company	Investment By Others
C. Cobra/Roadway (cont.)	14,000 MH	175	72	\$13.22\$14.97	\$9.01\$10.20
	21,000 MH	250	101	15.4517.49	11.2112.69
	36,000 MH	400	159	20.3423.03	15.5717.63
	8,000 FL	100	38	15.1917.20	4.455.04
D. Decorative Transit	9,500 HPS	100	41	32.7637.09	9.8111.11
	16,000	150	69	32.5736.88	10.9612.41
	30,000	250	99	37.5042.46	14.1516.02
E. Flood	30,000	250	99	18.2020.61	11.3112.81
	50,000	400	153	22.5725.56	15.6917.77
	21,000-MH	250	101	19.4322.00	11.9513.53
	36,000 MH	400	159	23.6926.82	16.2118.35
F. Post Top	Colonial Gray	8,000 FL	100	16.3718.54	4.625.23
		9,500 HPS	100	9.3610.60	5.876.65
	Colonial Black	9,500 HPS	100	10.7812.21	6.086.88
	Decorative	9,500 HPS	100	28.6832.47	9.0410.24
G. FROZEN					
	4,000 INC	295	103	8.64\$9.78	4.83\$5.47
	7,000 MV	175	73	11.1912.67	6.427.27
	11,000 MV	250	96	14.0215.87	8.559.68
	20,000 MV	400	150	22.0124.92	12.4714.12

NOTES:

1. Investment by Company. These rates are applicable where the Company provides the initial investment to purchase and install all facilities necessary for street lighting service. The Company will own, operate, and maintain the street lighting system.
2. Investment by Others. These rates are applicable in those instances where the requesting entity or individual purchases and installs the street lighting facilities at their own expense and in accordance with Company specifications. These rates will also apply in the instance where the customer provides a non-refundable advance to the Company to cover the Company's cost of purchasing and installing the street lighting system. The Company retains ownership of the street lighting system and provides operation and maintenance for all facilities.
3. Listed kWhs reflect the assigned monthly energy usage for each type of fixture and are used to determine any applicable transmission, system benefit, distribution, energy and adjustment charges.
4. HPS = High Pressure Sodium
5. MH = Metal Halide
6. LPS = Low Pressure Sodium
7. FL = Fluorescent
8. INC = Incandescent. Incandescent lighting charges are applicable and available only to those customers being served and those installations in service on November 1, 1986.
9. MV = Mercury Vapor. Mercury Vapor lighting charges are applicable and available only to those customers being served and those installation in service on November 1, 1986 in accordance with A.R.S. §49-1104(A).



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

II. POLES

			RATES		
			Height	Investment by Company	Investment By Others
A. Anchor Base Mounted (Flush)	Round Steel	1 Simplex Adapter	12 ft.	\$10.75\$12.17	\$1.48\$1.68
			22 ft.	12.1013.70	1.661.88
			25 ft.	13.0914.82	1.812.05
			30 ft.	15.0417.03	2.072.34
			32 ft.	15.8017.89	2.092.37
		2 Simplex Adapters	12 ft.	11.4612.98	1.581.79
			22 ft.	13.1714.91	1.822.06
			25 ft.	13.7315.55	1.892.14
			30 ft.	15.9618.07	2.202.49
			32 ft.	17.0319.28	2.352.66
	Square Steel	5"	13 ft.	12.3213.95	1.701.92
			15 ft.	11.0112.47	1.521.72
			23 ft.	13.0614.79	1.792.03
			25 ft.	14.3616.26	1.972.23
28 ft.			15.9418.05	2.192.48	
32 ft.			15.8517.95	2.182.47	
Concrete		12 ft.	36.7241.58	5.065.73	
Fiberglass		12 ft.	31.1035.21	4.284.85	
Decorative Transit Pedestrian		4"	16 ft.	30.3234.33	4.184.73
Decorative Transit		6"	30 ft.	58.5466.28	8.069.13
B. Anchor Base Mounted (Pedestal)	Round Steel	1 Simplex Adapter	12 ft.	10.3411.71	1.421.61
			22 ft.	11.6913.24	1.611.82
			25 ft.	12.6714.35	1.751.98
			30 ft.	14.6416.58	2.022.29
			32 ft.	15.3817.41	2.122.40
		2 Simplex Adapters	12 ft.	11.0512.51	1.521.72
			22 ft.	12.3413.97	1.701.92
			25 ft.	13.3215.08	1.832.07
			30 ft.	15.5517.61	2.142.42
			32 ft.	16.6118.81	2.292.59
		3 Bolt Arm	32 ft.	19.0921.62	2.622.97
	Square Steel	5"	13 ft.	11.9213.50	1.641.86
			15 ft.	12.1913.80	1.671.89
			23 ft.	12.6514.32	1.751.98
			25 ft.	13.9515.80	1.932.19
			28 ft.	15.5117.56	2.142.42
			32 ft.	16.1018.23	2.212.50



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

II POLES (cont)

		RATES	
	Height	Investment by Company	Investment By Others
C. Direct Bury	Round Steel	19 ft. \$16.27\$18.42	\$2.24\$2.54
		30 ft. 12.7014.38	2.352.66
		38 ft. 15.5017.55	2.412.73
	Self Support	40 ft. 19.0921.62	3.023.42
	Stepped	49 ft. 57.4064.99	7.918.96
	Square Steel	4" 34 ft. 14.0215.87	2.432.75
		5" 20 ft. 13.3415.07	2.202.49
		30 ft. 13.8715.71	2.292.59
		38 ft. 15.0617.05	2.612.96
	Decorative Transit	41 ft 6 18.0820.47	2.663.01
	Decorative Transit	47 ft. 22.5225.50	3.313.75
	Steel Distribution Pole (for lighting only)	35 ft. 20.7923.54	2.743.10
D. Post Top	Decorative Transit Anchor Base	16 ft. 30.9735.07	4.264.82
	Gray Steel/Fiberglass	23 ft. 10.7412.16	1.772.00
	Black Steel	23 ft. 11.8413.41	1.952.21
E. Existing distribution pole suitable for streetlight use		1.311.48	--
F. FROZEN		FROZEN	
	Wood Poles	30 ft. 7.90\$8.95	1.37\$1.55
		35 ft. 7.90\$8.95	1.311.48

NOTE: The monthly rate for all new poles includes up to 300 feet of overhead secondary wire, or up to 300 feet of underground secondary wire if the customer provides earthwork and conduit (excluding the underground to overhead transition).

III. ANCHOR BASE

		RATES	
	Height	Investment by Company	Investment By Others
A. Flush	4 ft.	8.75\$9.91	1.20\$1.36
	6 ft.	10.4411.82	1.812.05
B. Pedestal	8 ft.	11.9613.54	2.082.36
	For 32' Round Steel Pole only	4 ft. 6" 8.299.39	1.441.63

IV. CHARGES FOR OPTIONAL OR ADDITIONAL EQUIPMENT

		RATES
		Company Owned
Underground Circuit Charges:		
a.	Per foot of cable, installed under paving	0.1388\$0.15716
b.	Per foot of cable, not installed under paving	0.049260.05589



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

ADJUSTMENTS

1. ~~The Environmental Portfolio Surcharge shall be applied~~ bill is subject to every retail electric service ~~the Renewable Energy Standard as set forth in the Company's Adjustment Schedule EPS-1 or successor schedules as approved by the RES pursuant to Arizona Corporation Commission Decision No. 70313.~~
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

SPECIAL PROVISIONS

1. Street lighting facilities installed under this rate schedule are of the type currently being furnished by Company as standard at the time service is initially requested. Standard facilities are those listed in the Company's Transmission and Distribution Construction Standards book.
2. The Company cannot guarantee that streetlighting facilities will always operate as intended. Therefore, the customer will be responsible for notifying the Company when the streetlighting facilities are not operating as intended. The Company will use reasonable efforts to complete normal maintenance (replacement of lamps, photocontrols or fixtures) within ten (10) working days from notification by customer; however, if the maintenance requires cable replacement or repairs, the Company shall use reasonable efforts to complete said repairs within twenty (20) working days.
3. The customer's bill will not be reduced due to lamp, photocontrol or cable repair or replacement outages.
4. Lighting equipment which is not specified in this rate schedule will be billed at the rates corresponding to the most similar equipment, as determined by the Company.



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

NON-STANDARD FACILITIES

Non-standard facilities (non-standard being defined as any facility not listed in the Company's Transmission and Distribution Construction Standards book) do not qualify for this rate schedule. At the Company's discretion, such facilities may be served under another of the Company's rate schedules.

EXTENSION OF STREET LIGHTING SYSTEM

The Company will extend its standard street lighting system up to a distance of 300 feet for each additional lighting installation without cost at the request of the customer. When the extension is underground the customer will provide earthwork as specified in Section 6.1.2 of the Company's Schedule 3, Conditions Governing Extensions of Electric Distribution Lines and Services; or, at the customer's request, the Company will provide such earthwork for a contribution in aid of construction equal to the cost of such earthwork. Any additional extension required (over and above the first 300 feet) will be provided by Company for a contribution in aid of construction equal to the cost of the additional extension.

Extensions to isolated areas requiring a substantial extension of the electric distribution system, as opposed to an extension of the street lighting system, will require a special study to determine the terms and conditions under which the Company will undertake such an extension.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



RATE SCHEDULE E-59
CLASSIFIED SERVICE
GOVERNMENT OWNED STREET LIGHTING SYSTEMS

AVAILABILITY

This rate schedule is available in those portions of cities, towns and unincorporated communities in which the Company does a general retail electric business and where the customer has installed or purchased a multiple or series street lighting system and the Company has distribution facilities of adequate capacity for the service to be rendered.

APPLICATION

This rate schedule is applicable to Standard Offer electric service for lighting public streets, alleys, thoroughfares, public parks and playgrounds from dusk to dawn by use of the customer's facilities where such service for the whole area is contracted for from the Company pursuant to the terms set forth herein by the city, town, other governmental entities, or a responsible individual for unincorporated communities. Dusk is defined as the time between sunset and full night when a photocontrol senses the lack of sufficient sunlight and turns on the lights. Dawn is defined as the time between full night and sunrise when a photocontrol senses sufficient sunlight to turn off lights.

The customer will own, operate, and maintain the street lighting system including lamps and glass replacements but excluding distribution facilities installed by the Company to serve the lighting system.

RATES

The bill shall be computed at the following rates plus any adjustments incorporated in this schedule:

Service Charge: \$2,462.79 per installed lamp

Energy Charge: \$ 0.053850.06088 per kWh

ADJUSTMENTS

1. The ~~Environmental Portfolio Surcharge shall be applied to every retail electric service bill~~ bill is subject to every retail electric service bill Renewable Energy Standard as set forth in the Company's Adjustment Schedule ~~EPS-1 or successor schedules as approved by the RES pursuant to Arizona Corporation Commission Decision No. 70313.~~ EPS-1 or successor schedules as approved by the RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744 and, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 18, 1997

A.C.C. No. 57485672
Cancelling A.C.C. No. 55965672
Rate Schedule E-59
Revision No. 98
Effective: January 1, 2010 July 1, 2007



RATE SCHEDULE E-59
CLASSIFIED SERVICE
GOVERNMENT OWNED STREET LIGHTING SYSTEMS

7. ~~The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.~~

ADJUSTMENTS (cont)

7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

SPECIAL PROVISIONS

1. Billed energy is based upon the summation of the contracted energy rating of installed facilities specified in the streetlighting contract.
2. The customer's bill will not be reduced due to lamp, photocontrol or cable repair or replacement outages.
3. Presently installed units which do not conform to the types specified in Rate Schedule E-58 will be billed in accordance with the type which is most nearly like such units.

EXTENSION OF COMPANY DISTRIBUTION SYSTEM

The Company will extend its standard street lighting system up to a distance of 300 feet for each additional lighting installation without cost at the request of the customer. When the extension is underground the customer will provide earthwork as specified in Section 6.1.2 of the Company's Schedule 3, Conditions Governing Extensions of Electric Distribution Lines and Services; or, at the customer's request, the Company will provide such earthwork for a contribution in aid of construction equal to the cost of such earthwork. Any additional extension required (over and above the first 300 feet) will be provided by Company for a contribution in aid of construction equal to the cost of the additional extension.

Extensions to isolated areas requiring a substantial extension of the electric distribution system, as opposed to an extension of the street lighting system, will require a special study to determine the terms and conditions under which the Company will undertake such an extension.

CONTRACT PERIOD

The contract period for service under this rate schedule shall be a fixed period of not less than 1 year and not more than 20 years, as agreed to by the customer and as specified in the streetlighting contract.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



RATE SCHEDULE E-67
CLASSIFIED SERVICE
MUNICIPAL LIGHTING SERVICE - CITY OF PHOENIX

AVAILABILITY

This rate schedule is available within the City of Phoenix at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service furnished for the lighting of alleys, buildings, and other public places owned or maintained by the City. Streetlighting service is not eligible for this schedule. Service to traffic signals is limited to those installations being served as of January 31, 1985, under the Agreement of April 4, 1930, as modified, between Central Arizona Light and Power Company and the City of Phoenix, and no new or reconnected traffic signal installations may be served after that time. Service must be supplied at one site through one point of delivery and measured through one meter. Direct Access service is not available under this rate schedule.

This schedule is not applicable to breakdown, standby, supplemental, or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage (as may be selected by customer, subject to availability at the customer's site).

RATES

The bill shall be computed at the following rate plus any adjustments incorporated in this schedule:

Energy Charge: \$ 0.04580 0.05193 per kWh

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, ~~kVA~~kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

ADJUSTMENTS

1. ~~The Environmental Portfolio Surcharge shall be applied~~ bill is subject to every retail electric service ~~the Renewable Energy Standard~~ as set forth in the Company's Adjustment Schedule ~~EPS-1 or successor~~ schedules as approved by the ~~RES~~ pursuant to Arizona Corporation Commission Decision No. 70313.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: February 1, 1985

A.C.C. No. 56735749
Canceling A.C.C. No. 55985673
Rate Schedule E-67
Revision No. 4617
Effective: July 1, 2007 January 1, 2010



RATE SCHEDULE E-67
CLASSIFIED SERVICE
MUNICIPAL LIGHTING SERVICE – CITY OF PHOENIX

ADJUSTMENTS (cont)

2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, ~~and Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXX.~~
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-221
CLASSIFIED SERVICE
WATER PUMPING SERVICE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service required for irrigation pumping or for water utilities for pumping potable water to serve the citizens of a city, town, or unincorporated community. Service must be supplied at one point of delivery and measured through one meter. Direct Access customers are not eligible for service under this schedule.

Rate selection is subject to paragraphs 3.2 and 3.3 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site.

RATES

The bill shall be computed at the following rates or minimum rates, whichever is greater, plus any adjustments incorporated in this schedule:

Basic Service Charge:	\$ 0.4930.558	per day
Demand Charge:	\$ 1.6601.880	per kW
Energy Charge: kWh, plus	\$ 0.103110.11680	per kWh for the first 240
kWh per kW, plus	\$ 0.07040.07940	per kWh for the next 275
kWh	\$ 0.057550.06519	per kWh for all additional

OPTIONAL TIME-OF-WEEK PROVISION

AVAILABILITY

The Time-Of-Week option is available to all customers eligible for Rate Schedule E-221. The customer must enter into an Electric Supply Agreement with the Company stating the customer's assigned Control Period. The type of equipment required to provide and measure time-of-week service is non-standard; therefore availability is limited and the Company cannot guarantee installation of the equipment within any specific time.



**RATE SCHEDULE E-221
CLASSIFIED SERVICE
WATER PUMPING SERVICE**

RATES (cont)

OPTIONAL TIME-OF-WEEK PROVISIONS (cont)

CONTROL PERIOD

The Control Period is the thirteen (13) hour period from 9 a.m. to 10 p.m. for one day during the week (Monday through Friday). The specific day of the Control Period will be mutually agreed upon by the Company and the customer and will be set forth in the Electric Supply Agreement.

RATE

The bill for customers on the Time-Of-Week option will be adjusted in the following manner:

When measured kWh during the specified Control Period is:	The following will be applied to the bill (before any adjustments, taxes or assessments)
1. 2 kWh per kW or less	(0.00693) (0.00785) per kWh for all kWh
2. Greater than 2 kWh per kW but less than or equal to 8 kWh per kW	No adjustment
3. Greater than 8 kWh per kW	0.003470.00393 per kWh for all kWh

MINIMUM

The bill for service under this rate schedule will not be less than \$0.4930.558 per day plus \$1.661.88 for each kW of the highest kW established during the 12 months ending with the current month, or the minimum kW specified in the Electric Service Agreement, whichever is greater. However, such monthly minimum charge shall not be more than an amount sufficient to make the total charges for such 12 months equal to \$24.0024.00 for each of such highest kW plus ~~\$180.00~~180.00, but in no instance more than the monthly minimum amount as computed above.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, ~~kVa~~kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.



**RATE SCHEDULE E-221
CLASSIFIED SERVICE
WATER PUMPING SERVICE**

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the month, as determined from readings of the Company's meter, or at the Company's option, by test.

ADJUSTMENTS

1. The ~~Environmental Portfolio Surcharge shall be applied~~ bill is subject to every retail electric service the Renewable Energy Standard as set forth in the Company's Adjustment Schedule EPS-1 or successor schedules as approved by the RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744, and Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

The contract period for customers receiving service under this rate schedule will be one (1) year or longer. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer.

TERMS AND CONDITIONS

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo Alan Propper
Title: Manager, Regulation and Pricing Director of Pricing
Original Effective Date: February 1, 1953

A.C.C. No. 56745750
Canceling A.C.C. No. 56025674
Rate Schedule E-221
Revision No. 4344
Effective: July 1, 2007 January 1, 2010



**RATE SCHEDULE E-221
CLASSIFIED SERVICE
WATER PUMPING SERVICE**

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



RATE SCHEDULE E-221-8T
CLASSIFIED SERVICE
WATER PUMPING SERVICE – TIME-OF-USE

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service required for irrigation pumping or for water utilities for pumping potable water to serve the citizens of a city, town, or unincorporated community. Service must be supplied at one point of delivery and measured through one meter. Direct Access customers are not eligible for service under this schedule.

Rate selection is subject to paragraphs 3.2 and 3.3 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site.

RATES

The bill shall be computed at the following rates or minimum rate, whichever is greater, plus any adjustments incorporated in this schedule:

Basic Service Charge:	\$ 0.8540.964	per day
Demand Charge:	\$ 3.9504.474	per On-Peak kW, plus
	\$ 2.3602.673	per Off-Peak kW
Energy Charge:	\$ 0.084540.09576	per kWh during On-Peak
hours, plus		
	\$ 0.045470.05151	per kWh during Off-Peak
hours		

MINIMUM

The bill for service under this rate schedule will not be less than \$0.8540.964 per day plus \$2.362.673 for each kW of the highest kW established during on or off peak hours during the 12 months ending with the current month, or the minimum kW specified in the Electric Service Agreement, whichever is greater. However, such monthly minimum charge shall not be more than an amount sufficient to make the total charges for such 12 months equal to \$34.2034.20 for each of such highest kW plus \$310.44310.44, but in no instance more than the monthly minimum amount as computed above.



RATE SCHEDULE E-221-8T
CLASSIFIED SERVICE
WATER PUMPING SERVICE – TIME-OF-USE

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVa may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the On-Peak and Off-Peak periods during the month, as determined from readings of the Company's meter, or at the Company's option, by test.

TIME PERIODS

For the purpose of this rate schedule, the On-Peak time period is a consecutive eight (8) hour period between 9 a.m. and 10 p.m. each and every day. The specific On-Peak period will be mutually agreed upon by the Company and the customer and will be set forth in an Electric Supply Agreement. All hours not included in the specified On-Peak period are designated as Off-Peak hours. Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. ~~The Environmental Portfolio Surcharge shall be applied to every retail electric service bill subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule EPS-1 or successor schedules as approved by the RES pursuant to Arizona Corporation Commission Decision No. 70313.~~
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.



**RATE SCHEDULE E-221-8T
CLASSIFIED SERVICE
WATER PUMPING SERVICE - TIME-OF-USE**

6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.

ADJUSTMENTS (cont)

7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744, and Arizona Corporation Commission Decision No XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

The contract period for customers receiving service under this rate schedule will be one (1) year or longer. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

CLASSIFIED - RIDERS



SCHEDULE EPR-2
CLASSIFIED SERVICE
PURCHASE RATES FOR QUALIFIED FACILITIES
100 KW OR LESS FOR PARTIAL REQUIREMENTS

AVAILABILITY

This rate schedule is available in all territory served by the Company.

APPLICATION

This rate schedule is applicable to all cogeneration and small power production facilities with a nameplate continuous AC output power rating of 100 kW or less where the facility's generator(s) and load are located at the same premise and that otherwise meet qualifying status pursuant to Arizona Corporation Commission's Decision No. 52345 on cogeneration and small power production facilities. Applicable only to Qualifying Facilities electing to configure their systems as to require partial requirements service from the Company in order to meet their electric requirements.

TYPE OF SERVICE

Electric sales to the Company must be single or three phase, 60 Hertz, at one standard voltage as may be selected by the customer (subject to availability at the premises). The Qualifying Facility will have the option to sell energy to the Company at a voltage level different than that for purchases from the Company; however, the Qualifying Facility will be responsible for all incremental costs incurred to accommodate such an arrangement.

PAYMENT FOR PURCHASES FROM AND SALES TO THE CUSTOMER

Power sales and special services supplied by the Company to the customer in order to meet its supplemental or interruptible electric requirements will be priced at the applicable retail rate or rates.

The Company will pay the customer for any energy purchased as calculated on the standard purchase rate (see below).

MONTHLY PURCHASE RATE FOR EXCESS GENERATION

Rate for pricing of energy, net of that for the customer's own use, that is delivered to the Company:

For customers with a 9 a.m. to 9 p.m. on-peak rate:

	Cents per kWh			
	Non-Firm Power		Firm Power	
	On-Peak ^{1/}	Off-Peak ^{2/}	On-Peak ^{1/}	Off-Peak ^{2/}
Summer Billing Cycles (May - October)	7.400	6.112	9.631	6.528
Winter Billing Cycles (November - April)	5.767	5.813	5.767	5.813

^{1/} On-Peak Periods: 9 a.m. to 9 p.m., weekdays or as reflected in the customer's otherwise applicable retail rate schedule

^{2/} Off-Peak Periods: All other hours

These rates are based on the Company's estimated avoided energy costs and will be updated annually.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: October 25, 1981

A.C.C. No. 57025752
Canceling A.C.C. No. 57025676
Rate Schedule EPR-2
Revision No. 4415
Effective: October 1, 2008/January 1, 2010



SCHEDULE EPR-2
CLASSIFIED SERVICE
PURCHASE RATES FOR QUALIFIED FACILITIES
100 KW OR LESS FOR PARTIAL REQUIREMENTS

For customers with a 12 p.m. to 7 p.m. on-peak rate:

	Cents per kWh			
	Non-Firm Power		Firm Power	
	On-Peak ^{1/}	Off-Peak ^{2/}	On-Peak ^{1/}	Off-Peak ^{2/}
<u>Summer Billing Cycles</u> <u>(May - October)</u>	<u>7.562</u>	<u>6.313</u>	<u>11.387</u>	<u>6.650</u>
<u>Winter Billing Cycles</u> <u>(November - April)</u>	<u>5.219</u>	<u>5.948</u>	<u>5.219</u>	<u>5.948</u>

^{1/} On-Peak Periods: 12 p.m. to 7 p.m., weekdays or as reflected in the
customer's otherwise applicable retail rate schedule

^{2/} Off-Peak Periods: All other hours

These rates are based on the Company's estimated avoided energy costs and will be updated annually.

For customers with an 11 a.m. to 9 p.m. on-peak rate:

	Cents per kWh			
	Non-Firm Power		Firm Power	
	On-Peak ^{1/}	Off-Peak ^{2/}	On-Peak ^{1/}	Off-Peak ^{2/}
<u>Summer Billing Cycles</u> <u>(May - October)</u>	<u>7.550</u>	<u>6.158</u>	<u>10.228</u>	<u>6.538</u>
<u>Winter Billing Cycles</u> <u>(November - April)</u>	<u>5.620</u>	<u>5.872</u>	<u>5.620</u>	<u>5.872</u>

^{1/} On-Peak Periods: 11 a.m. to 9 p.m., weekdays or as reflected in the
customer's otherwise applicable retail rate schedule

^{2/} Off-Peak Periods: All other hours

These rates are based on the Company's estimated avoided energy costs and will be updated annually.

For residential customers served under a standard (non time-of-use) rate, the monthly purchase rate will equal the rate for customers served on a 12 p.m. to 7 p.m. on-peak rate. For all other customers served under a standard rate, the monthly purchase rate will equal the rate for customers served on an 11 a.m. to 9 p.m on-peak rate.



SCHEDULE EPR-2
CLASSIFIED SERVICE
PURCHASE RATES FOR QUALIFIED FACILITIES
100 KW OR LESS FOR PARTIAL REQUIREMENTS

CONTRACT PERIOD

As provided for in any Supply /Purchase Agreement.

DEFINITIONS

1. Partial Requirements Service - Electric service provided to a customer that has an interconnected generation system configuration whereby the output from its electric generator(s) first supplies its own electric requirements and any ~~excess energy~~ Excess Generation (over and above its own requirements at any point in time) is then provided to the Company. The Company supplies the customer's supplemental electric requirements (those not met by their own generation facilities). This configuration may also be referred to as the "parallel mode" of operation.
2. Excess Generation - Equals the customer's generation (kWh) in excess of their load at any point in time as metered by the Company. Excess Generation is computed for on-peak and off-peak billing periods.
23. Special Service(s) - The electric service(s) specified in this section that will be provided by the Company in addition to or in lieu of normal service(s).
34. Non-Firm Power - Electric power which is supplied by the Customer's generator at the Customer's option, where no firm guarantee is provided, and the power can be interrupted by the Customer at any time.
45. Firm Power - Power available, upon demand, at all times (except for forced outages) during the period covered by the Purchase Agreement from the customer's facilities with an expected or demonstrated reliability which is greater than or equal to the average reliability of the Company's firm power sources.
56. Time Periods - Mountain Standard Time shall be used in the application of this rate schedule. Because of potential differences of the timing devices, there may be a variation of up to 15 minutes in timing for the pricing periods.

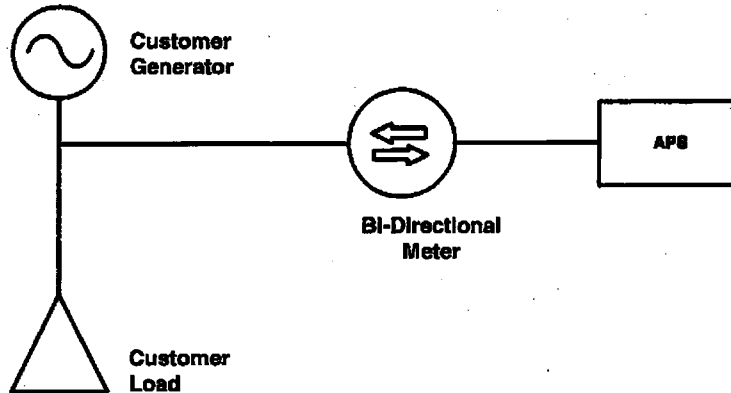
TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, Schedule 2, Terms and Conditions for Energy Purchases from Qualified Cogeneration or Small Power Production Facilities, and the Company's Interconnection requirements for Distributed Generation. This schedule has provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer interconnection or Supply/Purchase agreement.



**SCHEDULE EPR-2
CLASSIFIED SERVICE
PURCHASE RATES FOR QUALIFIED FACILITIES
100 KW OR LESS FOR PARTIAL REQUIREMENTS**

METERING CONFIGURATION





**RATE SCHEDULE E-56
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and suitable voltage are adjacent to the premises served and when all applicable provisions described herein have been met.

APPLICATION

This rate schedule is applicable to Customers who obtain any part of their electric requirements from on-site generation equipment with a continuous nameplate rating of 100 kW or greater for other than emergency purposes requiring Supplemental and Back-up or Maintenance Power and energy from the Company. Direct access customers are not eligible for service under this rate schedule.

DEFINITIONS

1. **Back-up Contract Demand** - The specified demand, in kilowatts, of Back-up Power that the Customer contracts with the Company to supply and which the Company agrees to have available for delivery to the Customer. The Back-up Contract Demand shall be established by agreement between Customer and Company. The level of Back-up Contract Demand shall not exceed the total output capacity of the Customer's generation facilities.
2. **Back-up Power** - The kW of Back-up Contract Demand supplied by the Company to the Customer. Back-up Power shall be determined for each day of the Billing Period containing on-peak hours. The kW of Back-up Power each day shall be the kW for the fifteen (15) minute period of the Customer's greatest use of Back-up Power during the on-peak hours of the day. The Back-up Power for the Billing Period shall be the sum of the Back-up Power for each day of the Billing Period. For each fifteen minute period, Back-up Power shall equal the Measured Demand minus the Supplemental Contract Demand but shall not be less than zero nor greater than the Back-up Contract Demand.
3. **Billing Period** - The period of approximately thirty (30) days intervening between regular successive meter reading dates. There shall be twelve (12) billing periods per year.
4. **Excess Power** - Excess Power is power supplied by the Company to the Customer in excess of the Total Contract Demand. The kW of Excess Power for the Billing Period shall be the kW for the fifteen (15) minute period of the Customer's greatest use of Excess Power during the Billing Period. For each fifteen minute period, Excess Power shall equal the Measured Demand minus the Total Contract Demand but shall not be less than zero.
5. **Maintenance Power** - Electric power and energy made available by the Company to a Customer during the scheduled maintenance periods established in accordance with the provisions of this schedule to replace Back-up Power. Maintenance Power shall not exceed the Back-up Contract Demand.
6. **Measured Demand** - The fifteen (15) minute Demands (Power) in kilowatts as shown by or computed from the readings of the Power (Demand) meter located at the Company's point of delivery for on-peak and off-peak periods during the Billing Period.
7. **Measured Energy** - The electric energy in kilowatt-hours as shown by or computed from the readings of the kilowatt-hour meter located at the Company's point of delivery.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: December 21, 2007

A.C.C. No. 5746
Canceling A.C.C. No 5691
Schedule E-56
Revision No. 1
Effective: January 1, 2010



**RATE SCHEDULE E-56
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE**

DEFINITIONS (cont)

8. Supplemental Contract Demand - The specified demand in kilowatts of Supplemental Power that the Customer contracts with the Company to supply and which the Company agrees to have available for delivery to the Customer. The Supplemental Contract Demand shall be established by agreement between Customer and Company.
9. Supplemental Power - The kW of Supplemental Contract Demand supplied by the Company to the Customer. The kW of Supplemental Power for the Billing Period shall be the kW for the fifteen (15) minute period of the Customer's greatest use of Supplemental Power during the Billing Period. For each fifteen minute period, Supplemental Power shall equal the Measured Demand but shall not be less than zero nor greater than the Supplemental Contract Demand.
10. Total Contract Demand - The sum of the Supplemental Contract Demand and the Back-up Contract Demand.

MONTHLY RATES

The bill shall be the sum of the amounts computed below, including any applicable adjustments:

- A. Basic Service: The Basic Service and Revenue Cycle Service Charges included in the customer's applicable General Service rate schedule will apply each month.
- B. Supplemental Power and Associated Energy: Supplemental Power and Associated Energy will be provided in accordance with the rate levels contained in the customer's applicable General Service rate schedule, excluding the monthly Basic Service and Revenue Cycle Service Charges, and also excluding delivery charges associated with Back-up Contract Demand.
- C. Delivery Charges: The unbundled delivery charge contained in the customer's applicable General Service rate schedule multiplied by the amount of Back-up Contract Demand.
- D. Back-up Power Charges:

Rate Schedule E-34 Customer - On-Peak:	\$ 0.49230.5756 per kW Day
Rate Schedule E-32 Customer - On-Peak:	\$ 0.07550.1184 per kW Day
During Scheduled Maintenance:	One Half (1/2) On-Peak Charge
Off Peak:	No Charge

On-Peak Periods:	9 a.m. to 9 p.m., weekdays or as reflected in the customer's otherwise applicable retail rate schedule
------------------	--

Off-Peak Periods:	All other hours
-------------------	-----------------

The Power Charge for Back-up Power is billed on a per day basis and is based on the fifteen (15) minute period of the Customer's greatest use of Back-up Power during on-peak hours each on-peak day. For each fifteen minute period, Back-up Power shall equal the Measured Demand minus the Supplemental Contract Demand but shall not be less than zero nor greater than the Back-up Contract Demand.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: December 21, 2007

A.C.C. No. 5746
Canceling A.C.C. No 5691
Schedule E-56
Revision No. 1
Effective: January 1, 2010



**RATE SCHEDULE E-56
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE**

MONTHLY RATES (cont)

E. Excess Power Charges:

Secondary Service:	\$ 45.89	53.17	per kW
Primary Service:	\$ 43.52	50.47	per kW
Transmission Service:	\$ 31.73	37.05	per kW

- F. Back-up, Maintenance and Excess Energy:** All Back-up, Maintenance, and Excess Energy shall be billed in accordance with the rate levels contained in the customer's applicable General Service rate schedule.

MAINTENANCE REQUIREMENTS

Maintenance energy shall be defined as energy supplied to Customer to replace energy normally supplied by the Customer's generator(s) during an authorized Scheduled Maintenance period.

Maintenance periods shall not exceed 30 days per generation unit during any consecutive 12-month period and must be scheduled during the non-Summer billing months, as defined in the Customer's applicable general service rate schedule. Customer shall provide Company with its planned maintenance schedule 90 days in advance of any planned maintenance in order for the Company to coordinate customer's scheduled maintenance with that of the Company. Upon review, Company shall either approve customer's planned maintenance schedule or notify customer of alternate acceptable periods. Customer, in turn, shall notify the Company of an acceptable alternate maintenance period(s), and shall also confirm with the Company its intention to perform its planned maintenance 45 days prior to the actual commencement date of the planned maintenance period.

METERING

The Company will install, at the customer's expense, a bi-directional meter at the point of delivery to the customer (Supply Meter) and meter(s) at the point(s) of output from each of the customer's generators (Generator Meter) if required. All meters will record integrated demand and energy on the same 15-minute interval basis as specified by the Company.

TOTAL CONTRACT DEMAND, SUPPLEMENTAL CONTRACT DEMAND, AND BACK-UP CONTRACT DEMAND

The Customer shall contract for Total Contract Demand. This shall be the sum of the Supplemental Contract Demand and the Back-up Contract Demand. The Customer may elect to increase Total Contract Demand by increasing Supplemental Contract Demand and/or Back-up Contract Demand prospectively at any time, provided there are facilities of adequate capacity, by providing notice to the Company. Any increase in Total Contract Demand shall establish a new Total Contract Demand which shall be in effect for the term of the contract, unless superseded by subsequent increases in Total Contract Demand.

TERMINATION PROVISION

Should Customer cease to operate his generation unit(s) for 60 consecutive days during periods other than planned scheduled maintenance periods, Company reserves the option to terminate the Agreement for service under this rate schedule with Customer.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: December 21, 2007

A.C.C. No. 5746
Canceling A.C.C. No 5691
Schedule E-56
Revision No. 1
Effective: January 1, 2010



**RATE SCHEDULE E-56
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE**

CONTRACT PERIOD

As provided in the Electric Supply Agreement between Company and Customer.

UNUSUAL UTILITY OPERATING CONDITIONS

If the Company is in need of additional power requirements due to equipment failure or other unusual conditions, the Customer may provide excess generation to Company at Company's request. The Company will pay the Customer for any energy purchased at the per kWh monthly firm purchase rate which is negotiated on a case-by-case basis.

TERMS AND CONDITIONS

Customer must enter into an Agreement for Interconnection and an Electric Supply Agreement which shall establish all details related to interconnection and other required service standards. Qualifying Cogeneration and Small Power Production Facilities (QFs) meeting Public Utility Regulatory Policy Act of 1978 criteria shall be permitted to sell excess power and energy subject to the provisions and rates specified in a Purchase Supply Agreement between Company and Customer. Customers who install facilities that do not meet QF standards will not have the right to sell power and energy to Company under this rate schedule. However, should Customer desire to do so, Customer may seek to enter into a new Service Agreement which would set forth the applicable purchase rates, terms and conditions for interconnection and for the sale of excess power to the Company.



**RATE SCHEDULE SP-1
CLASSIFIED SERVICE
SOLAR PARTNERS**

This rate schedule is cancelled effective January 1, 2010 per A.C.C. Decision No. 69663 and A.C.C. Decision No. XXXXX.

ARIZONA PUBLIC SERVICE COMPANY

Phoenix, Arizona

Filed by: David J. Rumolo

Title: Manager, Regulation and Pricing

Original Effective Date: November 26, 1996

Page 1 of 2

A.C.C. No. 5691

Canceling A.C.C. No. 5609

Rate Schedule SP-1

Revision No. 3

Effective: July 1, 2007



**RATE SCHEDULE SP-1
CLASSIFIED SERVICE
SOLAR PARTNERS**

AVAILABILITY

This rate schedule is available within the Company's service territory to standard offer residential and business customers on a pre-established service who wish to purchase solar-generated electricity for their home and/or business. The total amount sold shall not exceed APS' solar resources. This program may be terminated by the Company at any time without notice.

APPLICATION

Service under this schedule provides a portion of the customer's regular electric service from solar electric generating systems producing AC electricity and delivered via the Company's electric power grid. All provisions of the customer's current applicable rate schedule will apply in addition to this service.

Additionally, this rate schedule is applicable only to customers being served on the Company's Rate Schedule SP-1 prior to July 1, 2007.

TYPE OF SERVICE

The Company will offer power generated by solar electric generating systems through the Company's electric distribution system.

The customer shall contract for a specific number of increments from solar generating facilities. Based upon the average annual output of solar system resources, each increment shall equal approximately 15 kWh/month. The monthly charge is based upon the number of increments and the cost of Solar power in excess of the current rates. The Company may assign limits to the number of kWh increments sold per customer.

SERVICE CHARGES

The bill for service under this tariff shall be \$2.64 per month for each 15 kWh monthly increment of solar energy.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE SOLAR-2
CLASSIFIED SERVICE
INDIVIDUAL SOLAR ELECTRIC SERVICE**

AVAILABILITY

This rate schedule is available within the Company's service territory to customers who are requesting new service requiring a new line extension and are located in areas where a line extension for regular electric service is less economical than Individual Solar Electric Service. The Company has the right to refuse service at unsecured locations which in the Company's opinion is a high risk area for vandalism, theft, or other damage.

The customer's system must be in a location that is determined by the Company to be reasonably accessible by standard Company vehicles. It will be located on the customer's property. If the system is not installed at the customer's permanent residence (that at which the customer resides for at least six months a year) the customer may be required to post security as determined by the Company for the amount of the Solar Electric system Net Installed Cost.

Additionally, this rate schedule is applicable only to those customers being served on the Company's Rate Schedule SOLAR-2 prior to January 1, 2010.

This service is only available until the Company investment in the Individual Solar Electric Service reaches the ACC approved funding limit.

APPLICATION

The Company has the sole right to determine the customer's eligibility for service under this schedule. Service under this schedule is limited to solar electric systems with name plate ratings of 200 watts or greater and having a Net Installed Cost of more than \$1,500.

TYPE OF SERVICE

The Company will offer power generated by a Company owned and maintained Solar Electric system for customers who cannot be economically connected by extension of the Company's distribution system. The system typically will include a photovoltaic module array, the module array mounting structure, the control structure, the control equipment, any necessary wiring, batteries, and any other equipment necessary to provide service that meets all applicable building and safety codes at a mutually agreed upon point of delivery. The Company will own, maintain, and make any necessary repairs to the Solar Electric system. If the system is damaged or in need of repairs, the customer shall notify the Company promptly.

This service is a substitute for and is in lieu of the customer being connected to the Company's electric distribution system. Any back-up, supplemental, or alternate power generation source may be contracted for with the Company. The Company assumes no obligation to provide or arrange for such back-up, supplemental or alternative power unless it is part of the Solar Electric Service Agreement and not interconnected to the normal Company system. Any back-up power equipment must meet Company technical specifications, and be connected to the Solar Electric system only at a Company designated point.

INITIAL FEE

An Initial Fee equal to five percent or more of the estimated Total Installed Cost of the Solar Electric system is required from the customer at the time the Contract is executed. The Initial Fee will be deducted from the Total Installed Cost, starting with the system component with the longest life, to yield the Net Installed Cost by system component. The Initial Fee shall be non-refundable unless the Company subsequently determines that it will not install the Solar Electric system. The customer has the option to pay a higher initial fee to reduce the net installed cost of the system.



**RATE SCHEDULE SOLAR-2
CLASSIFIED SERVICE
INDIVIDUAL SOLAR ELECTRIC SERVICE**

INITIAL FEE (cont)

The minimum Initial Fee is:

Estimated Total Installed Cost

Up to	\$100,000
More than	\$100,000

Minimum Initial Fee

5%
10%

RATE

The total monthly bill is based on the type of system installed and the rate formula specified below. The exact charge will be specified in the service agreement entered into between the Company and the customer. Since each system is designed to meet the individual customer's specific needs, the rate will vary based on the following formula:

- A. Monthly service fee, dependent on battery type and system size:

Battery	<u>System Size</u>	
	Up to 2.5 kW	Over 2.5 kW
None	\$ 5.00	\$ 5.00
Sealed	\$45.00	\$65.00
Flooded	\$65.00	\$85.00

plus,

- B. Component Fee which is the summation of the Net Installed Cost by System Component times the appropriate Monthly Percentage. The monthly percentages listed are maximums that can not be reduced below marginal cost:

Type	<u>System Component</u>	Straight Line Depreciation Life	Monthly Percentage
	Average Life		
Long	Greater than 13 years	20 Years	1.41%
Medium	Between 7 and 13 years	10 Years	1.83%
Short	Less than 7 years	5 Years	2.75%

plus,

- C. any applicable sales tax and regulatory assessments.

The Company may offer an accelerated payment schedule to accelerate equipment depreciation allowing the customer to purchase the system for a lower book value.



**RATE SCHEDULE SOLAR-2
CLASSIFIED SERVICE
INDIVIDUAL SOLAR ELECTRIC SERVICE**

TERMINATION OF SERVICE

Upon termination of service for any reason other than the Contract terms:

- a) The customer shall pay to the Company on demand (in addition to all other monies to which the Company may be legally entitled by virtue of such termination) a facility termination charge defined as the Net Installed Cost less depreciation (based on customer's payment selection), plus the removal cost less the market salvage value for the Solar Electric facilities to be removed. Market salvage value is defined as new reconstruction cost of the system less depreciation for the same time period as the existing system.
- b) Upon termination of service, either by the Company or the customer, the customer will have the option to purchase the Solar Electric facilities based on Company's Net Installed Cost less accumulated depreciation.

If the system is damaged because of vandalism, theft, or abuse the Company has the right to terminate service and remove the remaining equipment.

SYSTEM MODIFICATIONS

The Company will reasonably respond to customer requests for improvement to the performance of the Solar Electric system. However, the Company has the sole right to determine if and when a modification to the existing system shall be made. Such modification will be reflected in the customer's monthly bill with a Solar Electric Service Agreement modification. An initial fee of at least 5 percent of the total modification cost shall be required prior to installation. The initial fee is non-refundable unless the Company determines that the modification is not warranted.

The Company shall adjust the monthly bill by adding the Net Modification Cost to the existing Net Installed Cost to yield a revised Net Installed Cost that will hence forth be used to compute the monthly bill. The Net Modification Cost will be equal to the total modification cost less the Initial Fee for the modification. The Company shall provide the customer the revised Net Installed Cost and monthly billing with the revised or amended Solar Electric Service Agreement.

CONTRACT PERIOD

Any applicable contract period will be set forth in the Solar Electric Service Agreement.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE SOLAR-3
CLASSIFIED SERVICE
SOLAR POWER PILOT PROGRAM**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served. The Solar Power Pilot Program is offered as a three-year pilot program and is available to residential standard offer customers who wish to purchase electricity generated from solar sources for their homes. The Company will procure or construct new solar generation resources to provide service under Schedule Solar-3. The Company shall limit participation in Schedule Solar-3 based on the amount of solar generation resources available.

A customer may only subscribe to one green power or solar rate option. Schedule Solar-3 may not be used in conjunction with rate schedules GPS-1, GPS-2, Solar-1, or Solar-2, or SP-1.

APPLICATION

Service under this schedule provides all or a portion of the customer's service from solar electric generating systems producing AC electricity and delivered via APS' electric power grid. All provisions of the Customer's current applicable rate schedule will apply, including the unbundled generation components as applied to the Customer's total monthly energy consumption. However, the charges in Adjustment Schedule EIS and Adjustment Schedule EPS-RES will not apply to the Solar Power Energy (kWh) served in accordance with Schedule Solar-3, up to 100% of the customer's total monthly kWh supplied by the Company. The customer is required to subscribe for a minimum term of one year. Direct Access customers are not eligible for service under this rate schedule.

SERVICE CHARGES

The customer shall be charged a Solar Power Premium Rate for all Solar Power Energy (kWh) served under this rate schedule. The Solar Power Premium Rate shall be the Solar Power Price, which represents the Company's price for Solar Power used to serve this rate schedule credited for the Avoided Cost, which represents the Company's associated savings in generation costs. The Solar Power Premium Rate shall be applied to the Solar Power Energy on a monthly basis.

Solar Power Price:	\$0.225 per kWh
Avoided Cost Credit:	<u>\$0.059 per kWh</u>
Solar Power Premium Rate:	\$0.166 per kWh

Solar Power Energy shall be a percentage of the customer's total monthly energy (kWh) supplied by the Company.

~~Two~~ Four options are available:

- A. Solar Power shall account for 100.0% of the customer's total monthly energy supplied by the Company.
- B. Solar Power shall account for 50.0% of the customer's total monthly energy supplied by the Company.
- C. Solar Power shall account for 35.0% of the customer's total monthly energy supplied by the Company.
- D. Solar Power shall account for 10.0% of the customer's total monthly energy supplied by the Company.

TERMS AND CONDITIONS

Subject to Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contain provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ADJUSTMENTS



ADJUSTMENT SCHEDULE CRCC-1
COMPETITION RULES COMPLIANCE CHARGE

APPLICATION

The Competition Rules Compliance Charge ("CRCC") shall apply to all retail Standard Offer or Direct Access service, excluding solar rates Solar-1 and Solar-2. Solar service such as rate schedule SP-1 does not have a kilowatt-hour charge therefore the CRCC will not apply. All provisions of the customer's applicable rate schedule will apply in addition to this charge.

RATE

The adjustment shall be calculated at the following rate:

CRCC

All kWh

\$0.000338

per kWh

ADDITIONAL REQUIREMENTS

In Decision No. 67744 the A.C.C. authorized the Company to recover over five years the costs of complying with the A.C.C. Electric Competition Rules that had been deferred through December 31st, 2004. Such recovery is in accordance with the method described in the filed Competition Rules Compliance Charge Plan for Administration. The CRCC will be canceled once the amount allowed by Decision No. 67744 is recovered or five years after the implementation of this rate schedule, whichever occurs first.



ADJUSTMENT SCHEDULE DSMAC-1
DEMAND SIDE MANAGEMENT COST ADJUSTMENT

APPLICATION

The Demand Side Management Adjustment Charge ("DSMAC") shall be applied monthly to every metered and/or non-metered retail Standard Offer or Direct Access service with the exception of customers served on rate schedules E-3 and E-4, and solar rates Solar 1, Solar 2 and SP 1. All provisions of the customer's currently applicable rate schedule will apply in addition to this adjustment charge. The DSMAC is applied to Standard Offer or Direct Access customer's bills as monthly charge to recover the cost of Commission approved demand side management programs above those costs included in base rates. The DSMAC will be changed in billing cycle 1 of the March revenue month and will not be prorated. The DSMAC and the ~~EPS Surcharge~~ RES adjusters may be combined on the customer's bill and appear on the "Environmental Benefits Surcharge" line. Details of how the DSMAC is derived and administered can be found in the Demand Side Management Adjustment Charge Plan for Administration.

RATE

The charge shall be calculated at the following rate:

For all residential customers and general service customers whose billing does not include demand charges:

All kWh	\$0.000605	per kWh
---------	------------	---------

For general service customers whose billing includes demand charges:

All metered kW	\$0.273328	per kW
----------------	------------	--------



ADJUSTMENT SCHEDULE RES RENEWABLE ENERGY STANDARD

APPLICATION

The Renewable Energy Standard ("RES") Adjustor shall apply to all retail Standard Offer or Direct Access service, excluding kWhs served in accordance with rate schedules ~~SP-1 (Solar Partners)~~, Solar-2, Solar-3, and Adjustment Schedules GPS-1, GPS-2, and GPS-3. All provisions of the customer's current applicable rate schedule will apply in addition to the RES Adjustor. From time to time, the RES program spending requirements will be evaluated and if necessary the charge and/or caps may be modified by the Commission. Any new charges/caps will be applied in billing cycle 1 beginning in the month following Commission approval in A.C.C. Decision No. 70654 and will not be prorated. Details regarding the administration of this Adjustor can be found in A.A.C. R14-2-1808. The RES Adjustor and the Demand Side Management Adjustor may be combined on the customer's bill and shown on the "Environmental Benefits Surcharge" line.

RATES

The bill shall be calculated at the following rates:

All kWh	\$0.0079370.008662	per kWh
---------	--------------------	---------

SURCHARGE LIMITS

The monthly total of the Renewable Energy Standard Adjustment Charge shall not exceed the following limits:

Residential Customers	\$3.173.46	per service per month
Non-residential Customers	\$117.93128.70	per service per month
Non-residential Customers with demand of 3,000 kW or higher per month for three consecutive months	\$353.78386.10	per service per month

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: May 1, 2008

A.C.C. No. ~~5718~~5757
Canceling A.C.C. No. ~~5705~~5718
Adjustment Schedule RES
Revision No. 31
Effective: ~~January~~October 1, 201009



ADJUSTMENT SCHEDULE PSA-1
POWER SUPPLY ADJUSTMENT

APPLICATION

The Power Supply Adjustment ("PSA") shall apply to all retail electric rate schedules in accordance with their terms with the exception of Solar-2, SP-1, E-3, E-4, E-36 and Direct Access service. All provisions of the customer's current applicable rate schedule will apply in addition to this charge.

RATES

The charges shall be calculated at the following rates:

PSA Historical Component

All kWh	\$(0.001816) 0.000258	per kWh
---------	----------------------------------	---------

PSA Forward Component

All kWh	\$(0.002674) 0.005080	per kWh
---------	----------------------------------	---------

PSA Transition Component

All kWh	\$0.000000	per kWh
---------	------------	---------

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: April 1, 2005

A.C.C. No. ~~5707~~5758
Canceling A.C.C. No. ~~5704~~5707
Adjustment Schedule PSA-1
Revision No. 4011
Effective: February 1, 2009 January 1, 2010



ADJUSTMENT SCHEDULE TCA-1 TRANSMISSION COST ADJUSTMENT

APPLICATION

The Transmission Cost Adjustment ("TCA") charge shall apply to all Standard Offer retail electric schedules, with the exception of solar rates Solar 1, Solar-2, and SP-1. All provisions of the customer's current applicable rate schedule will apply in addition to this charge.

ANNUAL ADJUSTMENT

Standard Offer rate schedules covered by this charge include a transmission component of base rates that was originally established at \$0.00476 per kilowatt-hour in accordance with A.C.C. Decision No. 67744. Decision No. 67744 also established the TCA. Decision No. 69663 modified the collection of transmission costs in retail rates to tie to the costs found in the FERC approved Open Access Transmission Tariff.

RATE

The charge shall be applied as follows:

Customer Class	TCA Charge
Residential	\$0.002258/kWh
General Service 20 kW or less	\$0.001889/kWh
General Service over 20 kW, under 3,000 kW	\$0.902/kW
General Service 3,000 kW and over	\$0.225/kW



ADJUSTMENT SCHEDULE EIS ENVIRONMENTAL IMPROVEMENT SURCHARGE

APPLICATION

The Environmental Improvement Surcharge ("EIS") shall apply to all retail Standard Offer service, excluding kWh served in accordance with rate schedules, ~~S P 1 (Solar Partners)~~, Solar-2, ~~Solar-3~~, ~~and Green Power Schedules~~ GPS-1, GPS-2 and GPS-3. All provisions of the customer's current applicable rate schedule shall apply in addition to charges under this Adjustment Schedule EIS.

The EIS was approved by the Arizona Corporation Commission ("ACC") in Decision No. 69663.

The EIS recovers the cost associated with investment and expenses for environmental improvements at APS' generation facilities that the ACC has approved for recovery. Approved environmental improvements include those implemented on or after January 1, 2004, for which costs have not been fully recovered under current approved rates, ongoing environmental improvement projects and environmental improvement projects designed to comply with prospective environmental standards required by federal, state, tribal, or local laws or regulations.

RATE

The charge shall be calculated at the following rate:

EIS

All kWh

\$0.00016 per kWh



ADJUSTMENT SCHEDULE GPS-1 GREEN POWER BLOCK SCHEDULE

APPLICATION

Adjustment Schedule GPS-1 ("GPS-1") shall be applied to Standard Offer customers who wish to purchase electricity generated from renewable sources for their homes and/or businesses. All provisions of the customer's current applicable rate schedule will apply in addition to this surcharge. However, the charges in Adjustment Schedule EIS and Adjustment Schedule RES, or successor schedules as approved by the Arizona Corporation Commission, will not apply to the Green Power kWh served in accordance with GPS-1, up to 100% of the customer's total monthly kWh supplied by the Company.

Electricity from renewable sources shall be referred to herein as "Green Power". Green Power may be:

1. Company-owned generation using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).
2. Generation not owned by the Company, but owned by another party for which the Company has contracted using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).

TYPE OF SERVICE

The Company will offer electricity generated from renewable resources delivered through the Company's electric distribution system.

Effective October 1, 2009 the Company, at its discretion, may limit the number of kWh blocks sold to any one customer to no more than five percent of total Green Power procured for service under schedules GPS-1, GPS-2, and GPS3.

The customer shall subscribe for a specific number of blocks of electricity generated from renewable resources. Each block shall equal 100 kWh per month. The monthly charge is based upon the number of blocks subscribed for by the customer.

The Company shall limit the participation in GPS-1 based on the Green Power available to provide service under this rate schedule.

Customers are required to subscribe for a minimum of one year, but can commit to subscribe for a longer period at their discretion. Charges under this schedule will be adjusted annually with Commission approval. Customers may cancel GPS-1 service if the charges increase during the one year or longer commitment period.

GPS-1 may not be used in conjunction with rate schedules GPS-2, Solar-2, or Solar-3, ~~or~~ SP-1.

SERVICE CHARGES

Service under this rate schedule shall be billed the Green Power Block rate of \$0.40 per month for each 100 kWh block of Green Power. This charge is based on the Green Power Premium rate of \$0.004 per kWh of Green Power times 100 kWh.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 2007

A.C.C. No. ~~5714~~5761
Canceling A.C.C. No. ~~5684~~5714
Adjustment Schedule GPS-1
Revision 24
Effective: ~~January~~ October 1, 2010



ADJUSTMENT SCHEDULE GPS-2 GREEN POWER PERCENT SCHEDULE

APPLICATION

Adjustment Schedule GPS-2 ("GPS-2") shall be applied to Standard Offer customers who wish to purchase electricity generated from renewable sources for their homes and/or businesses. All provisions of the customer's current applicable rate schedule will apply in addition to this surcharge. However, the charges in Adjustment Schedule EIS and Adjustment Schedule RES, or successor schedules as approved by the Arizona Corporation Commission, will not apply to the Green Power kWh served in accordance with GPS-2, up to 100% of the customer's total monthly kWh consumption.

Electricity from renewable sources shall be referred to herein as "Green Power". Green Power may be:

1. Company-owned generation using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).
2. Generation not owned by the Company, but owned by another party for which the Company has contracted using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).

TYPE OF SERVICE

The Company will offer Green Power through the Company's electric distribution system.

Effective October 1, 2009 the Company, at its discretion, may limit the kWh sold to any one customer to no more than five percent of total Green Power procured for service under schedules GPS-1, GPS-2, and GPS-3. The Company shall limit the participation in GPS-2 based on the Green Power available to provide service under this rate schedule.

Customers are required to subscribe for a minimum of one year, but can commit to subscribe for a longer period at their discretion. Charges under this schedule will be adjusted annually with Commission approval. Customers may cancel GPS-2 service if the charges increase during the one year or longer commitment period.

GPS-2 may not be used in conjunction with rate schedules GPS-1, Solar-2, Solar-3, or ~~SP-1~~.

SERVICE CHARGES

Four options are available. The charges hereunder represent charges to be added to energy charges (\$/kWh basis) under the customer's applicable rate schedule and applied to the customer's total monthly kWh (including non-Green Power kWh, if any) supplied by the Company. The charges are based on the Green Power Premium rate of \$0.004 per kWh of Green Power.

- A. Green Power shall account for 100.0% of the total monthly kWh supplied by the Company.
Additional Charge per kWh: \$0.004
- B. Green Power shall account for 50.0% of the total monthly kWh supplied by the Company.
Additional Charge per kWh: \$0.002
- C. Green Power shall account for 35.0% of the total monthly kWh supplied by the Company.
Additional Charge per kWh: \$0.0014
- D. Green Power shall account for 10.0% of the total monthly kWh supplied by the Company. This option is not available to residential customers.
Additional Charge per kWh: \$0.0004



ADJUSTMENT SCHEDULE IR-1
INTERIM ADJUSTMENT

This rate schedule is cancelled effective January 1, 2010 per A.C.C. Decision No. 70667 and A.C.C. Decision No. XXXXX.

APPLICATION

The Interim Rate ("IR-1") shall apply to all retail electric rate schedules in accordance with their terms with the exception of Solar 2, E-3, E-4, and E-36. All provisions of the customer's current applicable rate schedule will apply in addition to this charge. This rate schedule was approved by the Arizona Corporation Commission in Decision no. 70667.

RATES

The charges shall be calculated at the following rates:

Interim Rate Charge

All kWh _____ \$0.00226 _____ per kWh



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES**

The following TERMS AND CONDITIONS and any changes authorized by law will apply to Standard Offer and Direct Access services made available by Arizona Public Service Company (Company), under the established rate or rates authorized by law and currently applicable at time of sale.

1. General

- 1.1 Services will be supplied in accordance with these Terms and Conditions and any changes required by law, and such applicable rate or rates as may from time to time be authorized by law. However, in the case of the customer whose service requirements are of unusual size or characteristics, additional or special contract arrangements may be required.
- 1.2 These Terms and Conditions shall be considered a part of all rate schedules, except where specifically changed by a written agreement.
- 1.3 In case of a conflict between any provision of a rate schedule and these Terms and Conditions, the provisions of the rate schedule shall apply.

2. Establishment of Service

- 2.1 Application for Service - Customers requesting service may be required to appear at Company's place of business to produce proof of identity and/or sign Company's standard form of application for service or a contract before service is supplied by Company.
 - 2.1.1 In the absence of a signed application or contract for service, the supplying of Standard Offer and/or Direct Access services by Company and acceptance thereof by the customer shall be deemed to constitute a service agreement by and between Company and the customer for delivery of, acceptance of, and payment for service, subject to Company's applicable rates and rules and regulations.
 - 2.1.2 Where service is requested by two or more individuals, Company shall have the right to collect the full amount owed Company from any one of the applicants.
- 2.2 Service Establishment and Customer Request for Special Service Charge - A service establishment charge of \$25.00 for residential and \$35.00 non-residential plus any applicable tax adjustment will be assessed each time Company is requested to establish, reconnect or re-establish electric service to the customer's delivery point, or to make a special read without a disconnect and calculate a bill for a partial month
 - 2.2.1 The customer will additionally be required to pay a trip charge of \$16.00 when an authorized Company representative travels to the customer's site and is unable to complete the customer's requested services due to lack of access to the point of delivery.
 - 2.2.2 The customer will additionally be required to pay an after-hours charge of \$75.00 if the customer requests service, as defined in A.A.C. R14-2-203.D.3, be established, reconnected, or re-established after 5:00 p.m. on a day other than the day of request.
 - 2.2.3 The customer will additionally be required to pay a same day connect charge of \$75.00 if the customer requests service, as defined in A.A.C. R14-2-203.D.3, be established,



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES**

reconnected, or re-established on the same business day the request is being made, and Company agrees to work the request on the same business day of the request. This will be charged regardless of the time the order may be worked by Company on that day. Company may, where no additional costs are incurred by Company, waive the same day fee.

- 2.2.4 The customer will additionally be required to pay \$75.00 per crew person per hour when customer requests services that do not meet the definition of service establishment as defined in A.A.C. R14-2-203.D.3 (such as metering equipment installations which include instrument transformers but excluding the cost of meters, maintenance or planned outages, etc.) that require the availability of Company employees after hours, on a weekend day, or on a Company holiday. The number of employees utilized by Company in fulfilling such requests shall be at the sole discretion of Company. Customers will be given notice of estimated charges prior to the work being performed.

Company holidays are New Year's Day, Martin Luther King, Jr. Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, The Day After Thanksgiving, and Christmas Day.

- 2.2.5 Company may waive the service establishment charge where:

2.2.5.1 No field trip is required because applicant accepts responsibility for energy billed and not yet paid and the change is effective with the last meter read and meter read date billed.

2.2.5.2 Applicant has an active Landlord Automatic Transfer of Service Agreement on file with Company. This service agreement is for property owners that have established credit with Company and provides for continuous service to the landlord between tenants.

2.2.5.3 Where multiple connects are performed during the same site visit, in the same applicant name, at the same address, for the same class of service, Company will assess the Service Establishment Charge once for every two delivery points.

- 2.3 Direct Access Service Request (DASR) - A Direct Access Service Request charge of \$10.00 plus any applicable tax adjustment will be assessed to the Electric Service Provider (ESP) submitting the DASR each time Company processes a Request (RQ) type DASR as specified in Company's Schedule 10, Terms and Conditions for Direct Access.

- 2.4 Grounds for Refusal of Service - Company may refuse to connect or reconnect Standard Offer or Direct Access service if any of the following conditions exist:

2.4.1 The applicant has an outstanding amount due with Company for the same class of service and is unwilling to make payment arrangements that are acceptable to Company.

2.4.2 A condition exists which in Company's judgment is unsafe or hazardous.



SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES

- 2.4.3 The applicant has failed to meet the security deposit requirements set forth by Company as specified under Section 2.5 or 2.6 hereof.
- 2.4.4 The applicant is known to be in violation of Company's tariff.
- 2.4.5 The applicant fails to furnish such funds, service, equipment, and/or rights-of-way or easements required to serve the applicant and which have been specified by Company as a condition for providing service.
- 2.4.6 The applicant falsifies his or her identity for the purpose of obtaining service.
- 2.4.7 Service is already being provided at the address for which the applicant is requesting service.
- 2.4.8 Service is requested by an applicant and a prior customer living with the applicant owes a delinquent bill from the same or a prior service address.
- 2.4.9 The applicant is acting as an agent for a prior customer who is deriving benefits of the service and who owes a delinquent bill from the same or a prior service address.
- 2.4.10 The applicant has failed to obtain all required permits and/or inspections indicating that the applicant's facilities comply with local construction and safety codes.

2.5 Establishment of Credit or Security Deposit

- 2.5.1 Residential Establishment of Credit - Company shall not require a security deposit from a new applicant for service at a primary and/or secondary residence if the applicant is able to meet any of the following requirements:
 - 2.5.1.1 The applicant has had service of a comparable nature with Company within the past two (2) years and was not delinquent in payment more than twice during the last twelve (12) consecutive months or disconnected for nonpayment.
 - 2.5.1.2 Company receives an acceptable credit rating, as determined by Company, for the applicant from a credit rating agency utilized by Company.
 - 2.5.1.3 The applicant can produce a letter regarding credit or verification from an electric utility where service of a comparable nature was last received within six (6) months of the current date which states that the applicant had a timely payment history for the prior twelve (12) consecutive months at the time of service discontinuation.
 - 2.5.1.4 In lieu of a security deposit, Company receives deposit guarantee notification from a social or governmental agency acceptable to Company or a surety bond as security for Company in a sum equal to the required deposit.
 - 2.5.1.5 Where three or more additional residential services are requested, Company may require customer to establish or reestablish a security deposit.



SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES

2.5.2 Residential Establishment of Credit or Security Deposit - When credit cannot be established as provided for in Section 2.5.1 hereof or when it is determined that the applicant left an unpaid final bill owing to another utility company, the applicant will be required to:

2.5.2.1 Place a cash deposit to secure payment of bills for service as prescribed herein,
or

2.5.2.2 Provide a surety bond acceptable to Company in an amount equal to the required security deposit.

2.5.3 Non-residential Establishment of Security Deposit - All non-residential applicants will be required to place a cash deposit to secure payment of bills for service as prescribed herein, unless:

2.5.3.1 The applicant has had service of a comparable nature with Company within the past two (2) years and was not delinquent in payment more than twice during the last twelve (12) consecutive months or disconnected for nonpayment.

2.5.3.2 The applicant provides a non-cash security deposit in the form of a Surety Bond, Irrevocable Letter of Credit, or Assignment of Monies in an amount equal to the required security deposit.

2.6 Establishment or Reestablishment of Security Deposit

2.6.1 Residential - Company may require a residential customer to establish or re-establish a security deposit if the customer becomes delinquent in the payment of two (2) or more bills within a twelve (12) consecutive month period or has been disconnected for non-payment during the last twelve (12) months.

2.6.2 Non-residential - Company may require a non-residential customer to establish or re-establish a security deposit if the customer becomes delinquent in the payment of two (2) or more bills within a twelve (12) consecutive month period or if the customer has been disconnected for non-payment during the last twelve (12) months, or when the customer's financial condition may jeopardize the payment of their bill, as determined by Company based on the results of using a credit scoring worksheet. Company will inform all customers of the Arizona Corporation Commission's complaint process should the customer dispute the deposit based on the financial data.

2.7 Security Deposits - Once it is determined that a security deposit is required, the following will apply:

2.7.1 Security deposits may be required for each service location.

2.7.2 Company reserves the right to increase or decrease security deposit amounts applicable to the services being provided by Company in accordance with this section:



SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES

- 2.7.2.1 If the customer chooses to change from Standard Offer to Direct Access services, the deposit may be decreased by an amount which reflects that portion of the customer's service being provided by a Load Serving ESP. However if the Load Serving ESP is providing ESP Consolidated Billing pursuant to Company's Schedule 10 Section 7, the entire deposit will be credited to the customer's account; or,
- 2.7.2.2 If the customer chooses to change from Direct Access to Standard Offer service, the requested deposit amount may be increased by an amount pursuant to Section 2.5, which reflects that Company is providing bundled electric service.
- 2.7.2.3 If the customer's average consumption increases: by more than ten (10) percent for residential accounts or five (5) percent for nonresidential accounts within a twelve (12) consecutive month period and credit has not been established, an additional security deposit may, at Company's option, be required.
- 2.7.3 Customer security deposits shall not preclude Company from terminating an agreement for service or suspending service for any failure in the performance of customer obligation under the agreement for service.
- 2.7.4 Cash deposits held by Company six (6) months/183 days or longer shall earn interest from the date the deposit was collected at the established one year Treasury Constant Maturities rate, effective on the first business day of each year, as published on the Federal Reserve Website. Deposits on inactive accounts are applied to the final bill when all service options become inactive, and the balance, if any, is refunded to the customer of record within thirty (30) days. For refunds resulting from the customer changing from Standard Offer to Direct Access, the difference in the deposit amounts will be applied to the customer's account.
- 2.7.5 If the customer terminates all service with Company, the security deposit may be credited to the customer's final bill.
- 2.7.6 Residential security deposits shall not exceed the higher amount of either one (1) time the customer's maximum monthly bill or two (2) times the customer's average monthly bill as estimated by Company for the services being provided by Company.
 - 2.7.6.1 Deposits or other instruments of credit will automatically expire or be credited or returned to the customers account after twelve (12) consecutive months of service, provided the customer has not been delinquent more than twice, unless customer has filed bankruptcy in the last 12 months.
- 2.7.7 Nonresidential security deposits shall not exceed two and one-half (2-1/2) times the customer's maximum monthly billing as estimated by Company for the service being provided by Company.
 - 2.7.7.1 Deposits and non-cash deposits on file with Company will be reviewed after twenty-four (24) months of service and will be returned provided the customer



SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES

has not been delinquent more than twice in the payment of bills or disconnected for non-payment during the previous twelve (12) consecutive months unless the customer's financial condition warrants extension of the security deposit.

- 2.8 Line Extensions - Installations requiring Company to extend its facilities in order to establish service will be made in accordance with Company's Schedule #3, Conditions Governing Extensions of Electric Distribution Lines and Services filed with the Arizona Corporation Commission.

3. Rates

- 3.1 Rate Information - Company shall provide, in accordance with A.A.C. R14-2-204, a copy of any rate schedule applicable to that customer for the requested type of service. In addition, Company shall notify its customers of any changes in Company tariffs affecting those customers.
- 3.2 Rate Selection - The customer's service characteristics and service requirements determine the selection of applicable rate schedule. If the customer is receiving bundled service, Company will use reasonable care in initially establishing service to the customer under the most advantageous rate schedule applicable to the customer. However, because of varying customer usage patterns and other reasons beyond its reasonable knowledge or control, Company cannot guarantee that the most economic applicable rate will be applied. Company will not make any refunds in any instances where it is determined that the customer would have paid less for service had the customer been billed on an alternate applicable rate or provision of that rate.
- 3.3 Optional Rates - Certain optional rate schedules applicable to certain classes of service allow the customer the option to select the rate schedule to be effective initially or after service has been established. Billing under the alternate rate will become effective from the next regularly scheduled meter reading, after the appropriate metering equipment is installed. No further rate schedule changes, however, may be made within the succeeding twelve-month period. Where the rate schedule or contract pursuant to which the customer is provided service specifies a term, the customer may not exercise its option to select an alternate rate schedule until expiration of that term.
- 3.4 Direct Access service will be effective upon the next meter read date if DASR is processed fifteen (15) calendar days prior to that read date and the appropriate metering equipment is in place. If a DASR is made less than fifteen (15) days prior to the next regular read date the effective date will be at the next meter read date thereafter. The above timeframes are applicable for customers changing their selection of Electric Service Providers or for customers returning to Standard Offer service.
- 3.5 Any customer that selects Direct Access service may return to Standard Offer service in accordance with the rules, regulations, and orders of the Commission. However, such customer will not be eligible for Direct Access service for the succeeding twelve (12) month period. If a customer returning to Standard Offer, in accordance with the rules, regulations and orders of the Commission, was not given the required notification in accordance with the rules and regulations of the Commission by their Load Serving ESP of its intent to cease providing competitive services



SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES

then the above provision will only apply if the customer fails to select another ESP within sixty (60) days of returning to Standard Offer service.

4. Billing and Collection

4.1 Customer Service Installation and Billing - Service billing periods normally consist of approximately 30 days unless designated otherwise under rate schedules, through contractual agreement, or at Company option.

4.1.1 Company normally meters and bills each site separately; however, at customer's request, adjacent and contiguous sites not separated by private or public property or right of way and operated as one integral unit under the same name and as a part of the same business, will be considered a single site as specified in Company's Schedule 4, Totalized Metering of Multiple Service Entrance Sections at a Single Site for Standard Offer and Direct Access Service.

4.1.2 The customer's service installation will normally be arranged to accept only one type of service at one point of delivery to enable service measurement through one meter. If the customer requires more than one type of service, or total service cannot be measured through one meter according to Company's regular practice, separate meters will be used and separate billing rendered for the service measured by each meter.

4.2 Collection Policy - The following collection policy shall apply to all customer accounts:

4.2.1 All bills rendered by Company are due and payable no later than fifteen (15) calendar days from the billing date. Any payment not received within this time frame will be considered delinquent. All delinquent bills for which payment has not been received shall be subject to the provisions of Company's termination procedure. Company reserves the right to suspend or terminate the customer's service for non-payment of any Arizona Corporation Commission approved charges. All delinquent charges will be subject to a late charge at the rate of eighteen percent (18%) per annum.

4.2.2 If the customer, as defined in A.A.C. R 14-2-201.9, has two or more services with Company and one or more of such services is terminated for any reason leaving an outstanding bill and the customer is unwilling to make payment arrangements that are acceptable to Company, Company shall be entitled to transfer the balance due on the terminated service to any other active account of the customer for the same class of service. The failure of the customer to pay the active account shall result in the suspension or termination of service thereunder.

4.2.3 Unpaid charges incurred prior to the customer selecting Direct Access will not delay the customer's request for Direct Access. These charges remain the responsibility of the customer to pay. Normal collection activity, including discontinuing service, may be followed for failure to pay.



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES**

4.3 Responsibility for Payment of Bills

4.3.1 The customer is responsible for the payment of bills until service is ordered discontinued and Company has had reasonable time to secure a final meter reading for those services involving energy usage, or if non-metered services are involved until Company has had reasonable time to process the disconnect request.

4.3.2 When an error is found to exist in the billing rendered to the customer, Company may correct such an error to recover or refund the difference between the original billing and the correct billing. Such adjusted billings will not be rendered for periods in excess of the applicable statute of limitations from the date the error is discovered. Schedule 8 (Bill Estimation) shall be applied when Company cannot obtain a complete and valid meter read. Situations that result in an estimated meter read include inclement weather, lack of access to a customer's meter, energy diversion, labor unavailability and equipment malfunction.

4.3.2.1 Refunds or credits to customers resulting from overbillings will be made promptly upon discovery by Company.

4.3.2.2 Corrected charges for underbillings shall be billed to the customer who shall be given an equal length of time such as number of months underbilled to pay the backbill without late payment penalties, unless there is evidence of meter tampering or energy diversion.

4.3.2.3 Except as specified below, corrected charges for underbillings shall be limited to three (3) month for residential accounts and six (6) months for non-residential accounts.

4.3.2.3.1 Where the account is billed on a special contract or non-metered rate, corrected charges for underbillings shall be billed in accordance with the contract or rate schedule requirements and is not limited to three or six months as applicable.

4.3.2.3.2 Where service has been established but no bills have been rendered, corrected charges for underbillings shall go back to the date service was established.

4.3.2.3.3 Where there is evidence of meter tampering or energy diversions, corrected charges for underbillings shall go back to the date meter tampering or energy diversions began, as determined by Company.

4.3.2.3.4 Where lack of access to the meter (caused by the customer) has resulted in estimated bills, corrected charges for underbillings shall go back to the billing month of the last Company obtained meter read date.



SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES

4.3.2.4 Company may forgo billing and collection of corrected charges for an underbilling if Company believes the cost of billing and collecting the underbilling would not justify pursuing the underbill.

4.3.3 Where Company is responsible for rendering the customer's bill, Company will provide a monthly incentive of \$0.48 per customer to customers who elect to pay their bills using the Company's electronically transmitted payment options AutoPay, SurePay or similar programs.

4.4 Dishonored Payments - If Company is notified by the customer's financial institution that they will not honor a payment tendered by the customer for payment of any bill, Company may require the customer to make payment in cash, by money order, certified or cashier's check, or other means which guarantee the customer's payment to Company.

4.4.1 The customer will be charged a fee of \$15.00 for each instance where the customer tenders payment of a bill with a payment that is not honored by the customer's financial institution.

4.4.2 The tender of a dishonored payment shall in no way (i) relieve the customer of the obligation to render payment to Company under the original terms of the bill, or (ii) defer Company's right to terminate service for nonpayment of bills.

4.4.3 Where the customer has tendered two (2) or more dishonored payments in the past twelve (12) consecutive months, Company may require the customer to make payment in cash, money order or cashier's check for the next twelve (12) consecutive months.

4.5 Termination Process Charges

4.5.1 Company will require payment of a Field Call Charge of \$15.00 when an authorized Company representative travels to the customer's site to accept payment on a delinquent account, notify of service termination, make payment arrangements or terminate the service. This charge will only be applied for field calls resulting from the termination process.

4.5.2 If a termination is required at the pole, a reconnection charge of \$96.50 will be required; if the termination is in underground equipment, the reconnection charge will be \$115.00.

4.5.3 To avoid termination of service, the customer will make payment in full, including any necessary deposit in accordance with Section 2.5 hereof or make payment arrangements satisfactory to Company.

5. Service Responsibilities of Company and Customer

5.1 Service Voltage - Company will deliver electric service to the designated point of delivery, as specified in Section 6.3 of this Schedule, at the standard voltages specified in the Electric Service Requirements Manual published by Company and as specified in A.A.C. R14-2-208.F. Company may deliver service for special applications at higher voltages, with prior approval from



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES**

Company's Engineering Department and in accordance with Company's Schedule 3, Conditions Governing Extensions of Electric Distribution Lines and Services filed with the Arizona Corporation Commission.

5.2 Responsibility: Use of Service or Apparatus

- 5.2.1 The customer shall save Company harmless from and against all claims for injury or damage to persons or property occasioned by or in any way resulting from the services being provided by Company or the use thereof on the customer's side of the point of delivery. Company shall have the right to suspend or terminate service in the event Company should learn of service use by the customer under hazardous conditions.
- 5.2.2 The customer shall exercise all reasonable care to prevent loss or damage to Company property installed on the customer's site for the purpose of supplying service to the customer.
- 5.2.3 The customer shall be responsible for payment for loss or damage to Company property on the customer's site arising from neglect, carelessness or misuse and shall reimburse Company for the cost of necessary repairs or replacements.
- 5.2.4 The customer shall be responsible for payment for any equipment damage and/or estimated unmetered usage resulting from unauthorized breaking of seals, interfering with, tampering with, or by-passing the meter.
- 5.2.5 The customer shall be responsible for notifying Company of any failure in Company's equipment.

5.3 Service Interruptions: Limitations on Liability of Company

- 5.3.1 Company shall not be liable to the customer for any damages occasioned by Load Serving ESP's equipment or failure to perform, fluctuations, interruptions or curtailment of electric service, except where due to Company's willful misconduct or gross negligence. Company may, without incurring any liability therefore, suspend the customer's electric service for periods reasonably required to permit Company to accomplish repairs to or changes in any of Company's facilities. The customer needs to protect their own sensitive equipment from harm caused by variations or interruptions in power supply.
- 5.3.2 In the event of a national emergency or local disaster resulting in disruption of normal service, Company may, in the public interest and on behalf of Electric Service Providers or Company, interrupt service to other customers to provide necessary service to civil defense or other emergency service agencies on a temporary basis until normal service to these agencies can be restored.

5.4 Company Access to Customer Sites

- 5.4.1 Company's authorized agents shall have satisfactory unassisted twenty-four (24) hour a day, seven (7) days a week access to Company's equipment located on customer's sites for the purpose of repair, maintenance, and service restoration work that Company may need to perform.



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES**

5.4.2 Company's authorized agents shall have satisfactory unassisted access to the customer's sites at all reasonable hours to install, inspect, read, repair or remove its meters or to install, operate or maintain other Company property, to verify that customer is in compliance with its obligations, or to inspect and determine the connected electrical load. If, after six (6) months (not necessarily consecutive) of good faith efforts by Company to work with the customer, Company in its opinion does not have satisfactory unassisted access to the meter, then Company shall have sufficient cause for termination of service or denial of any rate options where, in Company's opinion, access is required. The remedy for unassisted access will be at Company discretion and may include the installation by Company of a specialized meter. If such specialized meter is installed, the customer will be billed the difference between the otherwise applicable meter for their rate and the specialized meter plus the cost incurred to install the specialized meter as a one-time charge and any reoccurring incremental costs. If service is terminated as a result of failure to provide unassisted access, Company verification of unassisted access may be required before service is restored. Written termination notice is required prior to disconnecting service under this section.

5.5 Easements

5.5.1 All suitable easements or rights-of-way required by Company for any portion of an extension to serve a customer, which is either on sites owned, leased or otherwise controlled by the customer or developer, or other property required for the extension, shall be furnished in Company's name by the customer without cost to or condemnation by Company and in reasonable time to meet proposed service requirements. All easements or rights-of-way granted to, or obtained on behalf of Company shall contain such terms and conditions as are acceptable to Company.

5.5.2 When Company discovers that the customer or the customer's agent is performing work, has constructed facilities, or has allowed vegetation to grow, adjacent to or within an easement or right-of-way or Company-owned equipment, and such work, construction, vegetation or facility poses a hazard or is in violation of federal, state, or local laws, ordinances, statutes, rules or regulations, or significantly interferes with Company's safe use, operation or maintenance of, or access to, equipment or facilities, Company shall notify the customer or the customer's agent and shall take whatever actions are necessary to eliminate the hazard, obstruction, interference or violation at the customer's expense. Company will notify the customer in writing of the violations.

5.6 Load Characteristics - The customer shall exercise reasonable care to ensure that the electrical characteristics of its load, such as deviation from sine wave form (a minimum standard is IEEE 519) or unusual short interval fluctuations in demand, shall not impair service to other customers or interfere with operation of telephone, television, or other communication facilities. Customer shall meet power factor requirements as specified on applicable rate schedules.

6. Metering and Metering Equipment

6.1 Customer Equipment - The customer shall install and maintain all wiring and equipment beyond the point of delivery except for Company's meters and special equipment. The customer's entire

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: December 1951

A.C.C. No. 5765
Canceling A.C.C. No. 5690
Service Schedule 1
Revision No. 34
Effective: January 1, 2010



SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES

installation must conform to all applicable construction standards and safety codes and the customer must furnish an inspection or permit if required by law or by Company. In circumstances where a clearance is not required by law, Company may require customer to execute a Letter In-Lieu of Electrical Clearance.

6.1.1 The customer shall provide, in accordance with Company's current service standards and/or Electric Service Requirements Manual, at no expense to Company, and close to the point of delivery, a sufficient and suitable space acceptable to Company's agent for the installation, accessibility and maintenance of Company's metering equipment. A current version of the Electric Service Requirements Manual is available on-line at <http://esp.apsc.com/resource/metering.asp>.

6.1.2 Where a customer requests, and Company approves, a special meter reading device or communications services or devices to accommodate the customer's needs, the cost for such additional equipment and usage fees shall be the responsibility of the customer.

6.2 Company Equipment

6.2.1 A Meter Service Provider (MSP) or its authorized agents may remove Company's metering equipment pursuant to Company's Schedule 10. Meters not returned to Company or returned damaged will result in charge to the MSP of the replacement costs, plus an administration fee of fifteen percent (15%), less five (5) years depreciation.

6.2.2 Company will lease lock ring keys to MSP's and/or their agents authorized to remove Company meters pursuant to the terms and conditions of Company's Schedule 10 at a refundable charge of \$70.00 per key. The charge will not be refunded if a key is lost, stolen, or damaged. If Company must replace ten percent (10%) of the issued keys within any twelve (12) month period due to loss by the MSP's agent, Company may, rather than leasing additional lock ring keys, require the MSP to arrange for a joint meeting. All lock ring keys must be returned to Company within five (5) working days if the MSP and/or its authorized agents are:

- 1) No longer permitted to remove Company meters pursuant to conditions of Company's Schedule 10;
- 2) No longer authorized by the Arizona Corporation Commission to provide services; or
- 3) The ESP Agreement has been terminated.

6.2.3 If the MSP, the customer, and/or its agent request a joint site meeting for removal of Company metering and associated equipment and/or lock ring, a base charge will be assessed of \$62.00 per site. Company may assess an additional charge of \$53.00 per hour for joint site meetings that exceed thirty (30) minutes. If Company must temporarily replace the MSP's meter and/or associated metering equipment during emergency situations or to restore power to a customer, the above charges may apply.

6.3 Service Connections - Company is not required to install and maintain any lines and equipment on the customer's side of the point of delivery except its meter.



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES**

- 6.3.1 For overhead service, the point of delivery shall be where Company's service conductors terminate at the customer's weatherhead or bus rider.
- 6.3.2 For underground service, the point of delivery shall be where Company's service conductors terminate in the customer's or development's service equipment. The customer shall furnish, install and maintain any risers, raceways and/or termination cabinet necessary for the installation of Company's underground service conductors.
- 6.3.3 For special applications where service is provided at voltages higher than the standard voltages specified in the Electric Service Requirements Manual, Company and customer shall mutually agree upon the designated point of delivery.
- 6.3.4 For the mutual protection of the customer and Company, only authorized employees or agents of Company or the Load Serving ESP are permitted to make and energize the connection between Company's service wires and the customer's service entrance conductors. Such employees carry Company issued identification which they will show on request.
- 6.4 Measuring Customer Service - All the energy sold to the customer will be measured by commercially acceptable measuring devices by Company (or the Meter Reading Service Provider (MRSP) pursuant to the terms and conditions of Company's Schedule 10). Where energy and, if applicable, demand is estimated by Company, estimation will be in accordance with Company's bill estimation procedures approved by the Arizona Corporation Commission. Where it is impractical to meter loads, such as street lighting, security lighting, or special installations, consumption will be determined by Company.
- 6.4.1 For Standard Offer customers, or where Company is the MRSP, the readings of the meter will be conclusive as to the amount of electric power supplied to the customer unless there is evidence of meter tampering or energy diversion, or unless a test reveals the meter is in error by more than plus or minus three percent (3%).
- 6.4.2 If there is evidence of meter tampering or energy diversion, the customer, person or entity demonstrated to have tampered with the meter and/or benefited from the tampering or diversion will be billed for the estimated energy and, if applicable, demand, for the period in which the energy diversion took place. Additionally, where there is evidence of meter tampering, energy diversion, or by-passing the meter, the customer, person or entity demonstrated to have tampered with the meter and/or diverted energy will also be charged the cost of the investigation as determined by Company.
- 6.4.3 If after testing, a meter is found to be more than three percent (3%) in error, either fast or slow, proper correction shall be made of previous readings and adjusted bills shall be rendered or adjusted billing information will be provided to the MRSP.
- 6.4.3.1 Customer will be billed, in accordance with Section 4.3.2, for the estimated energy and demand that would have registered had the meter been operating properly.



SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES

6.4.4 Where Company is the MRSP, Company will, at the request of the customer or the ESP, reread the customer's meter within ten (10) working days after such request by the customer. The cost of such rereads is \$16.50 and may be charged to the customer or the ESP, provided that the original reading was not in error.

6.4.5 Where the ESP is the MSP or MRSP, and the ESP and/or its agent fails to provide the meter data to Company pursuant to Company's Schedule 10 Section 8.16, Meter Reading Data Obligations, Company may, at its option, obtain the data, or may estimate the billing determinants. The charge for such reread is \$16.50 and may be charged to the ESP.

6.5 Meter Testing - Company tests its meters regularly in accordance with a meter testing and maintenance program as approved by the Arizona Corporation Commission. Company will, however, individually test a Company owned/maintained meter upon customer or ESP request. If the meter is found to be within the plus or minus three percent (3%) limit, Company may charge the customer or the ESP \$30.00 for the meter test if the meter is removed from the site and tested in the meter shop, and \$50.00 if the meter remains on site and is tested in the field.

6.6 Master Metering

6.6.1 Mobile Home Parks - Company shall refuse service to all new construction and/or expansion of existing permanent residential mobile home parks unless the construction and/or expansion is individually metered by Company.

6.6.2 Residential Apartment Complexes - Company shall refuse service to all new construction of apartment complexes and condominiums which are master metered. This section is not applicable to Senior Care/Nursing Centers registered with the State of Arizona with independent living units which provide packaged services such as housing, food, and nursing care.

6.6.3 Multi-Unit Residential High Rise Developments (developments consisting of apartments, condominiums or townhouse developments built with four or more floors, usually using elevators for accessing floors) - Company will allow master metering for residential units where the residential units are privately owned, provided the building will be served by a centralized heating, ventilation and/or air conditioning system, and each residential unit shall be individually sub-metered and responsible for energy consumption of that unit.

6.6.3.1 Sub-metering shall be provided and maintained by the builder or homeowners association.

6.6.3.2 Responsibility and methodology for determining each unit's energy billing shall be clearly specified in the original bylaws of the homeowners association, a copy of which must be provided to Company prior to Company providing the initial extension.

7. Termination of Service



SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES

- 7.1 With Notice - Company may without liability for injury or damage, and without making a personal visit to the site, disconnect service to any customer for any of the reasons stated below, provided Company has met the notice requirements established by the Arizona Corporation Commission:
- 7.1.1 A customer violation of any of the applicable rules of the Arizona Corporation Commission or Company tariffs.
 - 7.1.2 Failure of the customer to pay a delinquent bill for services provided by Company.
 - 7.1.3 The customer's breach of a written contract for service.
 - 7.1.4 Failure of the customer to comply with Company's deposit requirements.
 - 7.1.5 Failure of the customer to provide Company with satisfactory and unassisted access to Company's equipment.
 - 7.1.6 When necessary to comply with an order of any governmental agency having jurisdiction.
 - 7.1.7 Failure of a prior customer to pay a delinquent bill for utility services where the prior customer continues to reside on the premises.
 - 7.1.8 Failure to provide or retain rights-of-way or easements necessary to serve the customer.
 - 7.1.9 Company learns of the existence of any condition in Section 2.4, Grounds For Refusal of Service.
- 7.2 Without Notice - Company may without liability for injury or damage disconnect service to any customer without advance notice under any of the following conditions:
- 7.2.1 Company observes, or has evidence of, a hazard to the health or safety of persons or property.
 - 7.2.2 Company has evidence of meter tampering or fraud.
 - 7.2.3 Company has evidence of unauthorized resale or use of electric service.
 - 7.2.4 Failure of the customer to comply with the curtailment procedures imposed by Company during a supply shortage.
 - 7.2.5 Customer made payments to avoid/stop non-payment disconnection with a dishonored payment. Prior to reconnection of service, repayment of those funds and all other delinquent amounts will be required in cash, money order, or certified funds.
 - 7.2.6 Customer paid to reconnect service with a dishonored payment. Prior to reconnection of service, payment of those funds and all other delinquent amounts will be required in cash, money order or certified funds.



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES**

- 7.3 Restoration of Service - Company shall not be required to restore service until the conditions which resulted in the termination have been corrected to the satisfaction of Company.
8. Removal of Facilities - Upon termination of service, Company may without liability for injury or damage, dismantle and remove its facilities installed for the purpose of supplying service to the customer, and Company shall be under no further obligation to serve the customer.
9. Successors and Assigns - Agreements for Service shall be binding upon and for the benefit of the successors and assigns of the customer and Company, but no assignments by the customer shall be effective until the customer's assignee agrees in writing to be bound and until such assignment is accepted in writing by Company.
10. Warranty - THERE ARE NO UNDERSTANDINGS, AGREEMENTS, REPRESENTATIONS, OR WARRANTIES, EXPRESS OR IMPLIED (INCLUDING WARRANTIES REGARDING MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE), NOT SPECIFIED HEREIN OR IN THE APPLICABLE RULES OF THE ARIZONA CORPORATION COMMISSION CONCERNING THE SALE AND DELIVERY OF SERVICES BY COMPANY TO THE CUSTOMER. THESE TERMS AND CONDITIONS AND THE APPLICABLE RULES OF THE ARIZONA CORPORATION COMMISSION STATE THE ENTIRE OBLIGATION OF COMPANY IN CONNECTION WITH SUCH SALES AND DELIVERIES.



SERVICE SCHEDULE 3 CONDITIONS GOVERNING EXTENSIONS OF ELECTRIC DISTRIBUTION LINES AND SERVICES

Provision of electric service from Arizona Public Service Company (Company) may require construction of new facilities or the relocation and upgrade to existing facilities. Costs for construction depend on the customer's location, scope of project, load size, and load characteristics and include but not limited to project management, coordination, engineering, design, surveys, permits, construction inspection, and support services. This schedule establishes the terms and conditions under which Company will extend, relocate, or upgrade its facilities in order to provide service.

All facility installations shall be made in accordance with good utility construction practices, as determined by Company, and are subject to the availability of adequate capacity, voltage and Company facilities at the beginning point of an extension as determined by Company.

The following provisions govern the installation of overhead and underground electric facilities to customers or developers whose requirements are deemed by Company to be usual and reasonable in nature.

DEFINITIONS

- a. Conduit Only Design means the conduit layout design for the installation of underground Extension Facilities that will be required to serve a project. Extension Facilities are to be installed at a later date when service is requested.
- b. Corporate Business & Industrial Development means a tract of land which has been divided into contiguous lots in which a developer offers improved lots for sale and the purchaser of the lot is responsible for construction of buildings for commercial and/or industrial use.
- c. Extension Facilities means the electrical facilities, inclusive of conductors, cables, transformers and meters, installed solely to serve an individual customer, developer, or groups of customers. For example, the Extension Facilities to serve a Residential Subdivision would consist of the line extension required to tie the subdivision to APS existing system as well as the Electrical Facilities constructed within the subdivision which would include primary and service lines, transformers, and meters.
- d. High Rise Development means buildings built with four or more floors, usually using elevators for accessing floors that may consist of either residential or non-residential use or both, such as a high-rise building where the first level is for commercial purposes and the upper floors are residential.
- e. Irrigation means water pumping service. Agricultural pumping means water pumping for farms and farm-related pumping used to grow commercial crops or crop-related activity. Non-agricultural water pumping is pumping for purposes other than the growing of commercial crops, such as golf course irrigation or municipal water wells.
- f. Master Planned Community Development means a development that consists of a number of separately subdivided parcels for different "Residential Subdivisions". Developments may also incorporate a variety of uses including multi-family, non-residential, and public use facilities.
- g. Residential Custom Home "Lot Sale" Development means a tract of land that has been divided into four or more contiguous lots in which a developer offers improved lots for sale and the purchaser of the lot is responsible for construction of a residential home.
- h. Residential Subdivision means a tract of land which has been divided into four or more contiguous lots with an average size of one acre or less in which the developer is responsible for the construction



SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES

of residential homes or permanent mobile home sites.

- i. Residential Multi-family Development means a development consisting of apartments, condominiums, or townhouses.
- j. Residential Single Family means a house, or a mobile home permanently affixed to a lot or site.
- k. Statement of Charges means the list of charges that is used to determine the applicant's cost responsibility for the Extension Facilities. The Statement of Charges is attached to this Service Schedule as Attachment 1. An applicant requesting an extension will be provided a sketch showing the Extension Facilities and an itemized cost quote based on the Statement of Charges or other applicable details. The Statement of Charges is not applicable to Extension Facilities requiring the relocation, modification, or upgrade of existing facilities or for non-residential customers with estimated loads over 3 megawatts, or that require 3,000 kVA of transformer capacity or greater, or special requests involving primary metering, or specialized or additional equipment for enhanced reliability. When the Statement of Charges is not applicable, charges for Extension Facilities shall be determined by the Company based on project-specific cost estimates.

1.0 RESIDENTIAL

1.1 SINGLE FAMILY HOMES

- 1.1.1 Extension Facilities will be installed to new permanent residential customers or groups of new permanent residential customers. For purposes of this section, a "group" shall be defined as less than four homes. The cost of extending service to applicant will be determined in accordance with the Statement of Charges and shall be paid by the applicant prior to the Company installing facilities. Payment is due at the time the extension agreement is executed by the applicant.
- 1.1.2 In instances where an applicant requests service directly from a customer-funded extension constructed in accordance with Section 1.1.1 hereof, the initial applicant may be eligible for refund on a pro-rata basis for a portion of the initial extension cost related to the shared Extension Facilities. If the initial applicant no longer owns the property, the refund will be provided to the current property owner.
- 1.1.3 The first and second applicants connecting to an extension completed under the provisions of this Section will be required to pay a pro-rata share of the cost of the initial extension plus the costs attributable to the applicant's own extension.
- 1.1.4 In no event shall the total of refund payments made to the initial customer be in excess of the total amount originally paid by the initial customer.
- 1.1.5 The refund eligibility period shall be five years from the execution date of APS' line extension agreement to the initial applicant.

1.2 RESIDENTIAL SUBDIVISION DEVELOPMENTS

Extension Facilities will be installed to residential subdivision developments of four or more homes in advance of application for service by permanent customers provided the applicant signs an extension agreement. The subdivision development plat shall be approved and recorded in the county having jurisdiction. The cost of extending service to applicant will be determined in accordance with the Statement of Charges and shall be paid by the applicant prior to the Company installing facilities. Payment is due at the time the extension agreement is executed by the applicant.



SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES

1.3 RESIDENTIAL CUSTOM HOME "LOT SALE" DEVELOPMENTS

- 1.3.1 Extension Facilities will be installed for residential "lot sale" custom home developments in advance of application for service by permanent customers, provided the applicant sign an extension agreement. The charges for Extension Facilities will be determined in accordance with the Statement of Charges and shall be paid by the applicant prior to the Company installing facilities. Payment is due at the time the extension agreement is executed by the applicant.
- 1.3.2 Extension Facilities will be installed for each permanent customer upon request for service in accordance with Section 1.1 of this service schedule.
- 1.3.3 Company will provide a "Conduit Only Design" provided applicant makes a payment in the amount equal to the estimated cost of the preparation of the design, in addition to the costs for any materials, field survey and inspections that may be required.

1.4 MASTER PLANNED COMMUNITY DEVELOPMENTS

- 1.4.1 Extension Facilities will be installed to Master Planned Community Developments in advance of application for service by permanent customers, provided the applicant signs an extension agreement. The charges for Extension Facilities will be determined in accordance with the Statement of Charges and shall be paid by the applicant prior to the Company installing facilities. Payment is due at the time the extension agreement is executed by the applicant.
- 1.4.2 Extension Facilities will be installed to each subdivided tract within the planned development in advance of application for service by permanent customers in accordance with the applicable sections of this Service Schedule.

1.5 RESIDENTIAL MULTI-FAMILY DEVELOPMENTS

Extension Facilities will be installed to multi-family apartment, condominium or townhouse developments in advance of application for service by permanent customers provided the applicant signs an extension agreement. The charges for Extension Facilities will be determined in accordance with the Statement of Charges and shall be paid by the applicant prior to the Company installing facilities. Payment is due at the time the extension agreement is executed by the applicant.

1.6 HIGH RISE DEVELOPMENTS

- 1.6.1 APS will provide service to this type of development at one point of delivery and it is the applicant's responsibility to provide and maintain the electrical facilities within the building.
- 1.6.2 Extensions will be made to High Rise Developments where the residential units are privately owned and either individually metered or master metered in accordance with Section 5.11.
- 1.6.3 Prior to the ordering of specialized materials or equipment required to provide service applicant will be required to pay the estimated cost of the material or



SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES

equipment.

- 1.6.4 Extension Facilities will be installed to High Rise Developments in advance of application for service by permanent customers provided the applicant signs an extension agreement. The charges for Extension Facilities will be determined based on project-specific requirements and shall be paid by the applicant prior to the Company installing facilities. Payment is due at the time the extension agreement is executed by the applicant.

2.0 NON-RESIDENTIAL

- 2.0.1 Extension Facilities will be installed for applicants not meeting the definition of Residential or as provided for in Section 2.1, or Section 3.0 of this Schedule. For applicants with estimated loads of less than 3 megawatts or less than 3,000 kVA of transformer capacity, the charges for Extension Facilities will be determined in accordance with the Statement of Charges and shall be paid by the applicant prior to the Company installing facilities. Payment is due at the time the extension agreement is executed by the applicant.
- 2.0.2 The charges for Extension Facilities installed for applicants with projected loads of 3 megawatts or greater, or requiring transformer capacity of 3,000 kVA or greater or applicants requiring primary metering or specialized or additional equipment for enhanced reliability will be in accordance with a cost estimate determined by the Company based on project-specific requirements. Payment is due at the time the extension agreement is executed by the applicant.
- 2.0.3 Prior to the ordering of specialized materials or equipment required to provide service applicant will be required to pay the estimated cost of the material or equipment.
- 2.0.4 In instances where an applicant requests service directly from a customer-funded extension constructed in accordance with this Section 2.0, the initial applicant may be eligible for refund on a pro-rata basis for a portion of the initial extension cost related to the shared Extension Facilities. If the initial applicant no longer owns the property, the refund will be provided to the current property owner.
- 2.0.5 The first and second applicants connecting to an extension completed under the provisions of this Section will be required to pay a pro-rata share of the cost of the initial extension plus the costs attributable to the applicant's own extension.
- 2.0.6 In no event shall the total of refund payments made to the initial customer be in excess of the total amount originally paid by the initial customer.
- 2.0.7 The refund eligibility period shall be five years from the execution date of APS' line extension agreement to the initial applicant.

2.1 CORPORATE BUSINESS & INDUSTRIAL PARK DEVELOPMENTS

- 2.1.1 Extension Facilities will be installed for Corporate Business & Industrial Park Developments in advance of application for service by permanent customers provided the applicant signs an extension agreement. For applicants with estimated



SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES

loads of less than 3 megawatts or less than 3,000 kVA of transformer capacity, the charges for Extension Facilities will be determined in accordance with the Statement of Charges and shall be paid by the applicant prior to the Company installing facilities. Payment is due at the time the extension agreement is executed by the applicant.

The charges for Extension Facilities installed for applicants with projected loads of 3 megawatts or greater, or requiring transformer capacity of 3,000 kVA or greater or applicants requiring primary metering or specialized or additional equipment for enhanced reliability will be in accordance with a cost estimate determined by the Company based on project-specific requirements. Payment is due at the time the extension agreement is executed by the applicant.

Prior to the ordering of specialized materials or equipment required to provide service applicant will be required to pay the estimated cost of the material or equipment.

- 2.1.2 Extension Facilities will be installed to individual lots (applicants/customers) within the Corporate and Business Park Development in accordance with the applicable sections of this Service Schedule.

3.0 OTHER CONDITIONS

3.1 IRRIGATION CUSTOMERS

Extension Facilities will be installed for Irrigation Customers provided the applicant signs an extension agreement. The charges for Extension Facilities will be determined in accordance with the Statement of Charges and shall be paid by the applicant prior to the Company installing facilities. Payment is due at the time the extension agreement is executed by the applicant. Non-agricultural irrigation pumping service to permanent customers will be extended as specified in Section 2. Non-agricultural irrigation pumping service to temporary or doubtful permanency customers will be extended as specified in Section 3.2 or 3.3 below, as applicable.

3.2 TEMPORARY CUSTOMERS

Where a temporary meter or construction is required to provide service to the applicant, the applicant shall make a payment in advance of installation or construction equal to the cost of installing and removing the facilities required to provide service, less the salvage value of such facilities. Charges will be in accordance with a cost estimate determined by the Company based on project-specific requirements. Payment is due at the time the extension agreement is executed by the applicant.

When the use of service is discontinued or agreement for service is terminated, Company may dismantle its facilities and the materials and equipment provided by Company will be salvaged and remain Company property.

3.3 MUNICIPALITIES AND OTHER GOVERNMENTAL AGENCIES

Relocation of existing facilities and/or Extension Facility installations required to serve the loads of municipalities or other governmental agencies may be constructed prior to the receipt of an executed extension agreement. However, this does not relieve the municipality or governmental agency of the responsibility for payment of the extension costs in accordance with the applicable sections of this



SERVICE SCHEDULE 3 CONDITIONS GOVERNING EXTENSIONS OF ELECTRIC DISTRIBUTION LINES AND SERVICES

Service Schedule.

4.0 UNDERGROUND CONSTRUCTION

4.1 GENERAL UNDERGROUND CONSTRUCTION POLICY - With respect to all underground installations, Company may install underground facilities only if all of the following conditions are met:

- 4.1.1 The extension meets all requirements as specified in Sections 1.0, 2.0, or 3.0.
- 4.1.2 The customer or applicant(s) provides all earthwork including, but not limited to, trenching, boring or punching, backfill, compaction, and surface restoration in accordance with Company specifications. Customer or applicant(s) may hire contractors to perform this work.
- 4.1.3 The customer or applicant(s) provides installation of equipment pads, pull-boxes, manholes, and conduits as required in accordance with Company specifications.
- 4.1.4 In lieu of customer or applicant(s) providing these services and equipment, the Company may provide and the customer or applicant(s) will make a payment equal to the cost of such work plus any administrative or inspection fees incurred by Company. Customers or applicants electing this option will be required to sign an agreement indemnifying and holding APS harmless against claims, liabilities, losses or damage (Claims) asserted by a person or entity other than APS' contractors, which Claims arise out of the trenching and conduit placement, provided the claims are not attributable to APS' gross negligence or intentional misconduct.

5.0 GENERAL CONDITIONS

5.1 VOLTAGE

All Extension Facility installations will be designed and constructed for operation at standard voltages used by Company in the area in which the extension is located. Company may deliver service for special applications of higher voltages with prior approval from Company's Engineering Department, applicant will be required to pay the costs of any required studies.

Extension Facilities installed at higher voltages are limited to serving an applicant operating as one integral unit under the same name and as part of the same business on adjacent and contiguous sites not separated by private property owned by another party or public property or right of way.

5.2 POINT OF DELIVERY

- 5.2.1 For overhead service, the point of delivery shall be where Company's service conductors terminate at the customer's weatherhead or bus riser.
- 5.2.2 For underground service, the point of delivery shall be where Company's service conductors terminate in the customer's or development's service equipment. The customer shall furnish, install and maintain any risers, raceways and/or termination cabinets necessary for the installation of Company's underground service conductors.



SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES

5.2.3 For special applications where service is provided at voltages higher than the standard voltages specified in the Electric Service Requirements Manual, APS and customer shall mutually agree upon the designated point of delivery.

5.3 EASEMENTS

All suitable easements or rights-of-way required by Company for any portion of the extension which is either on premises owned, leased or otherwise controlled by the customer or developer, or other property required for the extension, shall be conveyed to the Company in Company's name by the customer without cost to or condemnation by Company and in reasonable time to meet proposed service requirements. All easements or rights-of-way obtained on behalf of Company shall contain such terms and conditions as are acceptable to Company.

5.4 GRADE MODIFICATIONS

If subsequent to construction of electric facilities the final grade established by the customer or developer is changed in such a way as to require relocation of Company facilities or the customer's actions or those of his contractor results in damage to such facilities, the cost of relocation and/or resulting repairs shall be borne by customer or developer.

5.5 OWNERSHIP

Except for customer-owned facilities, all electric facilities installed in accordance with this Service Schedule will be owned, operated, and maintained by Company.

5.6 MEASUREMENT AND LOCATION

5.6.1 Measurement must be along the proposed route of construction.

5.6.2 Construction will be on public streets, roadways, highways, or easements acceptable to Company.

5.6.3 The extension must be a branch from, the continuation of, or an addition to, the Company's existing distribution facilities.

5.8 UNUSUAL CIRCUMSTANCES

In unusual circumstances as determined by Company, when the application and provisions of this policy appear impractical, or in case of extension of lines to be operated on voltages other than specified in the applicable rate schedule, or when customer's estimated load will exceed 3,000 kW, Company will make a special study of the conditions to determine the basis on which service may be provided. Additionally, Company may require special contract arrangements as provided for in Section 1.1 of Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Service.

5.9 ABNORMAL LOADS

Company, at its option, may make extensions to serve certain abnormal loads (such as: transformer-type welders, x-ray machines, wind machines, excess capacity for test purposes and loads of unusual characteristics) and the costs of any distribution system modifications or enhancements required to serve the customer will be included in the payment described in previous sections of this Service Schedule.



SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES

5.10 UPGRADES, RELOCATIONS AND/OR CONVERSIONS

- 5.10.1 Company will upgrade, relocate or convert its facilities for the customer's convenience or aesthetics. The cost of upgrades, relocation or conversion will be as determined by the Company by a detailed estimate will be included in the payment described in previous sections of this Service Schedule.
- 5.10.2 When the relocation of Company facilities involve "prior rights" conditions, the customer will be required to make payment equal to the estimated cost of relocation as determined by the Company by a cost estimate.

5.11 MASTER METERING

- 5.11.1 Mobile Home Parks - Company shall refuse service to all new construction and/or expansion of existing permanent residential mobile home parks unless the construction and/or expansion is individually metered by Company.
- 5.11.2 Residential Apartment Complexes, Condominiums - Company shall refuse service to all new construction of apartment complexes and condominiums which are master metered unless the builder or developer can demonstrate that the installation meets the provisions of R14-2-205 of the Corporation Commission's Rules and Regulations or the requirements discussed in 5.11.3 below. This section is not applicable to Senior Care/Nursing Centers registered with the State of Arizona with independent living units which provide packaged services such as housing, food, and nursing care.
- 5.11.3 Multi-Unit Residential Developments - Company will allow master metering for residential units where the residential units are privately owned provided the building will be served by a centralized heating, ventilation and/or air conditioning system, and each residential unit shall be individually sub-metered and responsible for energy consumption of that unit.
 - 5.11.3.1 Sub-metering shall be provided and maintained by the builder or homeowners association.
 - 5.11.3.2 Responsibility and methodology for determining each unit's energy billing shall be clearly specified in the original bylaws of the homeowners association, a copy of which must be provided to Company prior to Company providing the initial extension.
- 5.11.4 Company will convert its facilities from master metered system to a permanent individually metered system at the customer's request provided the customer makes a payment equal to the residual value plus the removal costs less salvage of the master meter facilities to be removed. The new facilities to serve the individual meters will be extended on the basis specified in Section 1. Applicant is responsible for all costs related to the installation of new service entrance equipment.

5.12 CHANGE IN CUSTOMER'S SERVICE REQUIREMENTS

Company will rebuild, modify, or upgrade existing facilities to meet the customer's added load or change in service requirements. When the applicant authorizes Company to proceed with construction



SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES

of the extension, the payment will be credited to the cost of the extension otherwise the payment shall be non-refundable. Charges for such changes will be in accordance with a cost estimate determined by the Company based on project-specific requirements.

5.13 STUDY AND DESIGN PAYMENT

Any applicant requesting Company to prepare special studies or detailed plans, specifications, or cost estimates will be required to make a payment to Company an amount equal to the estimated cost of preparation. When the applicant authorizes Company to proceed with construction of the extension, the payment will be credited to the cost of the extension otherwise the payment shall be non-refundable. Company will prepare, without charge, a preliminary sketch and rough estimate of the cost to be paid by the applicant upon request.

5.14 SETTLEMENT OF DISPUTES

Any dispute between the customer or prospective customer and Company regarding the interpretation of these "Conditions Governing Extensions of Electric Distribution Lines and Services" may, by either party, be referred to the Arizona Corporation Commission or a designated representative or employee thereof for determination.

5.15 EXTENSION AGREEMENTS

All facility installations or equipment upgrades requiring payment by an applicant or customer shall be in writing and signed by both the applicant or customer and Company.

5.16 ADDITIONAL PRIMARY FEED

When specifically requested by an applicant or customer to provide an alternate primary feed (excluding transformation), Company will perform a special study to determine the feasibility of the request. The applicant or customer will be required to pay for the added cost as well as the applicable rate for the additional feed requested. Installation cost will be based on a cost estimate based on project-specific requirements. Payment for the installation of facilities is due at the time the facilities agreement is executed by the applicant.

5.17 POLICY EXCEPTION

The Schedule 3 as stated herein is applicable to all applicants and customers unless specific exemptions are approved by the Arizona Corporation Commission. The following exemptions have been approved:

5.17.1 Residential Homes on Native American Land

Extensions for residential homes on Native American Reservations will be made in accordance with the provisions of Service Schedule 3 that was in effect April 1, 2005 through June 30, 2007. Application of this Section 5.17.1 is limited to Native American Reservations as defined by applicable Federal law.

5.17.2 Individual Residence Extension for Residences Owned by Limited Income Owners

Extensions for residential homes where the Applicant's income is below 150 percent of the federal poverty level will be made in accordance with the provisions of Service Schedule 3



SERVICE SCHEDULE 3 CONDITIONS GOVERNING EXTENSIONS OF ELECTRIC DISTRIBUTION LINES AND SERVICES

that was in effect April 1, 2005 through June 30, 2007. Application of this Section 5.17.2 is limited to instances where each of the following circumstances is present: 1) the requested extension is to land that is currently owned by the Applicant whose income is below 150% of the Federal poverty level; 2) the land was purchased by the current owner before the effective date of Decision No. 69663 (June 28, 2007); and 3) the requested extension is for the Applicant's personal residential use. Applicant must provide proof that is acceptable to the Company that the Applicant meets the eligibility criteria described in this Section.



SERVICE SCHEDULE 3 CONDITIONS GOVERNING EXTENSIONS OF ELECTRIC DISTRIBUTION LINES AND SERVICES

ATTACHMENT 1 SCHEDULE OF CHARGES – SINGLE PHASE

APS Schedule #3, Line Extension Statement of Charges
Single Phase Extension Costs, Year 2010

Primary Single Phase	Underground		Overhead	
	Cost per Circuit Foot	Cost per Circuit Foot	Cost per Circuit Foot	Cost per Circuit Foot
	\$15.32	\$5.75	\$7.19	\$3.770

Transformer Single Phase	Underground		Overhead	
	SES Size	Transformer Size	Overhead Padmount	Underground Padmount
	200 Amp	25KVA	\$3,324	\$3,393
	200 Amp	50KVA	\$4,160	\$4,740
	400 Amp	50KVA	\$4,160	\$4,740
	600 Amp	75KVA	\$5,633	\$5,649
	800 Amp	100KVA	\$7,152	\$6,754

Services Single Phase	Service Line per Circuit Foot		Service Line per Circuit Foot	
	Size	Overhead	Underground	Underground
Res & Non-Res Residential	200 Amp	\$4.57	\$2.79	\$2.79
Non-Residential	400 Amp	\$8.58	\$3.27	\$3.27
Res & Non-Res	600 Amp	\$17.16	\$6.54	\$6.54
Res & Non-Res	800 Amp	\$25.74	\$9.87	\$9.87

Notes:
1) Extension Facilities that do not qualify for the Statement of Charges will be determined by a project specific cost estimate.
2) Cost per foot charges will be determined from termination at the source to the next device in the circuit. Footage for each circuit will be summed to determine charges.



SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES

ATTACHMENT 1
SCHEDULE OF CHARGES – THREE PHASE

APS Schedule #3 Line Extension Statement of Charges
Three Phase Extension Costs, Year 2010

Feeder Three Phase	Underground				
	Overhead	Cost per Circuit Foot (1 Circuit)	Pull Box (1 Circuit)	Manhole (1 Circuit)	Cost per Circuit Foot (2 Circuits)
	\$34.33	\$24.73	\$3,637	\$8,447	\$47.06
					\$6,284
					\$12,036
					\$15,519
Primary Three Phase	Underground				
	Overhead	Cost per Circuit Foot (1 Circuit)	Pull Box (1 Circuit)	Manhole (1 Circuit)	Cost per Circuit Foot (2 Circuits)
	\$21.98	\$16.66	\$1,284	\$15,519	
Transformer Three Phase	Overhead				
	SES Size	120/208 Volts	277/480 Volts	120/208 Volts	277/480 Volts
	200 Amp	3-25KVA	\$8,839	3-50KVA	\$9,063
	400 Amp	3-50KVA	\$11,349	3-75KVA	\$11,033
	600 Amp	3-50KVA	\$11,349	3-100KVA	\$11,545
	800 Amp	3-75KVA	\$15,753		
	1000 Amp	3-75KVA	\$15,753		
	1200 Amp	3-100KVA	\$20,112		
	1600 Amp	3-167KVA	\$23,638		
	2000 Amp				
	2500 Amp				
	3000 Amp				
Services Three Phase	Service Line				
	Service	Size	Overhead	Underground	per Circuit Foot
	200 Amp		\$3.43	\$5.10	\$29.76
	400 Amp		\$8.40	\$10.18	\$31.65
	600 Amp		\$14.88	\$11.42	\$50.64
	800 Amp		\$14.88	\$25.32	\$82.31
	1000 Amp		\$29.76	\$25.32	\$88.62

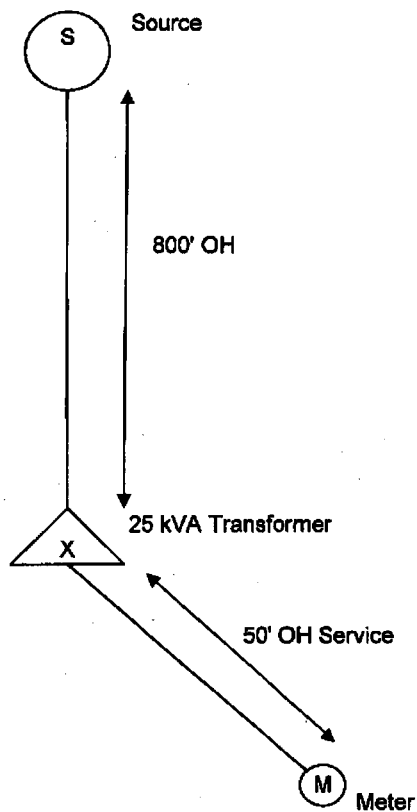
Notes:

- 1) Extension Facilities that do not qualify for the Statement of Charges will be determined by a project specific cost estimate.
- 2) Cost per foot charges will be determined from termination at the source to the next device in the circuit. Footage for each circuit will be summed to determine charges.
- 3) For Multiple services out of one three phase transformer, the service cost will be determined by each SES and the transformer cost will be determined from the combined of each SES size in amps, rounded up to the nearest SES size, limited to a combined maximum of 3,000. amps.



SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES

Customer A

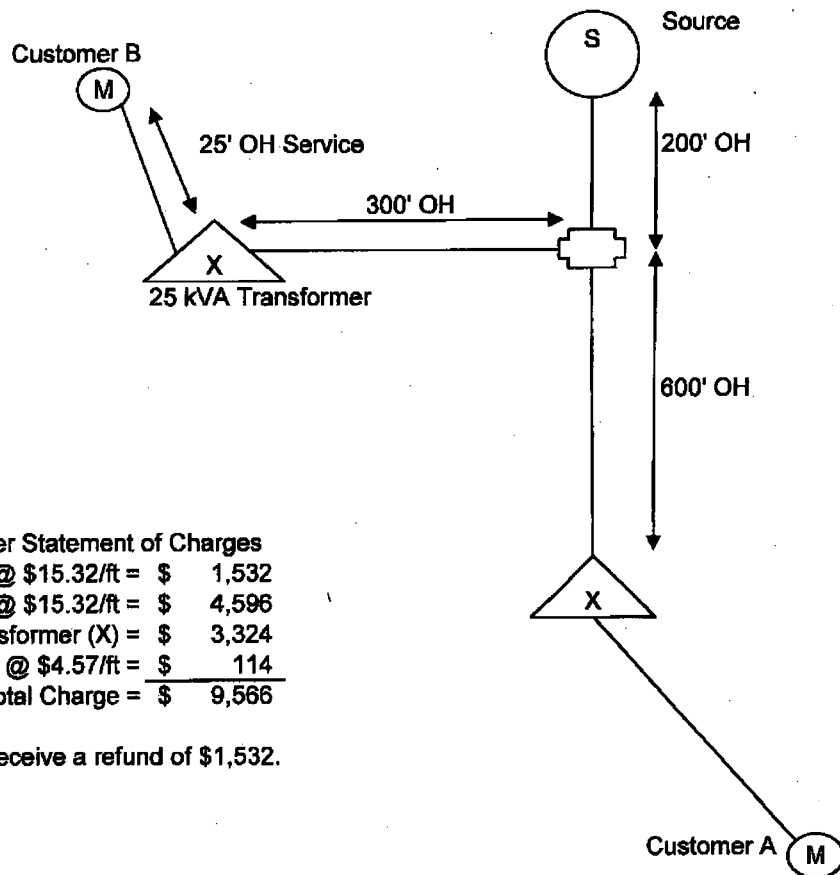


Cost per Statement of Charges
800' OH @ \$15.32/ft = \$ 12,256
25 kVA OH Transformer (X) = \$ 3,324
50' OH Service @ \$4.57/ft = \$ 229
Total Charge = \$ 15,809



SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES

Customer B
Added to Extension Funded by Customer A



Cost per Statement of Charges	
1/2 of 200' OH @ \$15.32/ft =	\$ 1,532
300' OH @ \$15.32/ft =	\$ 4,596
25 kVA OH Transformer (X) =	\$ 3,324
25' OH Service @ \$4.57/ft =	\$ 114
Total Charge =	\$ 9,566

Customer A will receive a refund of \$1,532.



SERVICE SCHEDULE 4: TOTALIZED METERING OF MULTIPLE SERVICE ENTRANCE SECTIONS AT A SINGLE SITE FOR STANDARD OFFER AND DIRECT ACCESS SERVICE

Arizona Public Service Company (Company) customers at a single site whose load requires multiple points of delivery through multiple service entrance sections (SEs) may be metered and billed from a single meter through Adjacent Totalized Metering or Remote Totalized Metering as specified in this schedule.

Totalized Metering (Adjacent or Remote) is the measurement for billing purposes on the appropriate rate, through one meter, of the simultaneous demands and energy of a customer who receives electric service at more than one SE at a single site.

- A. Totalized metering will either be Adjacent or Remote and shall be permitted only if conditions 1 through 8 are all satisfied.
1. The customer's facilities must be located on adjacent and contiguous sites not separated by private or public property or right-of-way and must be operated as one integral unit under the same name and as a part of the same business or residence (these conditions must be met to be considered a single site, as specified in Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Service, Section 4.1.1); and
 2. Power will generally be delivered at no less than 277/480 volt (nominal), three phase, four wire or 120/240 volt (nominal) single phase three wire; and
 3. Three phase and single phase service entrance sections can not be combined for totalizing purposes; and
 4. For Standard Offer customers, totalized metering may be accomplished by providing electronically totalized demand and energy reads or by means of a physical wire interconnection of metering information with the customer providing conduit between the SEs; for Direct Access customers the customer's Electric Service Provider may provide electronically totalized demand and energy reads in compliance with Company's Schedule 10, Terms and Conditions for Direct Access; and
 5. The customer shall provide vault or transformer space, which meets Company specifications, on the customer's property at no cost to Company; and
 6. If the customer operates an electric generation unit on the premise, totalized metering will be permitted when the customer complies with all of Company's requirements for interconnection, pays all costs for any additional special metering required to accommodate such service from totalized service sections, and takes service on an applicable rate schedule for interconnected customer owned generation; and
 7. Written approval by Company's authorized representative is required before totalized metering may be implemented.
 8. Customers electing to have accounts either Adjacent or Remote Totalized metered will be required to maintain the accounts in the approved totalized configuration for a minimum of one (1) year.
- B. Adjacent Totalized Metering will apply when conditions A.1-A.8 and the following conditions are met:
1. The customer's total load to be totalized requires a National Electrical Code (NEC) service entrance size of over 3,000 amps three phase or 800 amps single phase; and



SERVICE SCHEDULE 4: TOTALIZED METERING OF MULTIPLE SERVICE ENTRANCE SECTIONS AT A SINGLE SITE FOR STANDARD OFFER AND DIRECT ACCESS SERVICE

2. Company requires that load be split and served from multiple SESs; and
3. The customer must locate SESs to be totalized within 10 feet of each other.

There will be no additional charge to the customer's monthly bill for Adjacent Totalized Metering.

C. Remote Totalized Metering will apply when conditions A.1-A.8 are met, multiple SESs are separated from one another by more than 10 feet, and the following conditions are met:

1. Each of the customer's service entrance sections to be totalized requires an NEC section size of 3,000 amps three phase or 800 amps single phase or greater; and
2. The customer's total load to be totalized has a minimum demand of 2,000 kVa or 1,500 kW three phase or 100 kVa or 80 kW single phase; and
3. The customer has made a non-refundable contribution for the net additional cost to Company of the meter totalizing connection and equipment.

When the total capital investment by Company to provide service at multiple points of delivery, as computed by Company, is equal to or less than the cost to serve a single point of delivery, then no additional monthly charge shall be made to the customer receiving Remote Totalized Metering. However, lower capital investment which results from the customer's contribution, other than the meter costs in C.3 above, shall not be considered.

For customers where the total capital investment by Company to provide service at multiple points of delivery, as computed by Company, is greater than the cost to serve at a single point of delivery, then there shall be an additional charge. The additional monthly charge for each delivery point above one shall consist of 1% of the totalized bill, plus \$500.00, plus all applicable taxes and adjustments.

D. Removal of Totalized Metering Configuration

In some cases, it may be to the customer's benefit to remove all totalized metering equipment, or remove selected totalized metering equipment from the totalized account. This will be permitted under the following conditions:

1. The customer must submit a written request to Company stating the reason for the removal and the specific equipment to be removed.
2. After removal of the equipment, the customer may not ask for services to be totalized for one (1) year from the removal date. At the end of one (1) year, if the customer does request services to be totalized, the applicable conditions listed above must be met.
3. The customer will be required to make a nonrefundable contribution for the costs associated with the removal of the meter totalizing connection and equipment.
4. In the event the customer should elect to remove a meter from a totalized metering configuration, the customer will continue to be responsible for the minimum billing kW parameters noted on the Customer's Electric Supply Agreement.



**SERVICE SCHEDULE 4: TOTALIZED METERING OF
MULTIPLE SERVICE ENTRANCE SECTIONS AT A SINGLE
SITE FOR STANDARD OFFER AND DIRECT ACCESS SERVICE**

5. Customer may elect an alternate rate schedule for accounts that are removed from the totalized configuration however no further rate schedule changes may be made within the succeeding twelve (12) month period in accordance with the provisions of the Company's Schedule 1.



SERVICE SCHEDULE 5 GUIDELINES FOR ELECTRIC CURTAILMENT

1. Arizona Public Service Company (Company) shall have no liability of obligation for claims arising out of the procedures for curtailment or interruption of electric service effected by it in accordance with such guidelines or such supplemental, amendatory or implementary guidelines or regulations as may hereafter be established and as provided by law.
2. Company shall endeavor to identify any electric customer(s) who might be classified as having either essential or critical loads. In the event that any customer of Company is dissatisfied by the classification of Customer by Company, or with the amount of such customer's load (if any) classified by the Company as critical or essential, the Customer may bring the matter to either the Company or the Commission and request a determination in regard thereto. However, until such redetermination is made by the Commission or the Company, customer's original classification for purposes of electric curtailment under this Schedule shall be unaffected.
3. Company shall endeavor to, as circumstances permit and as further discussed in the Company's detailed Electric Load and Curtailment Plan, to notify County emergency personnel, or similar local authorities, of existing or developing situations involving the curtailment or interruption of APS customers pursuant to this Schedule #5.

4. DEFINITIONS

- 4.1 Essential Loads – Loads necessary to serve facilities used to protect the health and safety of the public, such as: hospitals, 911 Centers, national defense installations, sewage facilities and domestic water facilities. Loads necessary to serve 911 Centers, police stations, and fire stations, which do not have independent back-up generation and require APS' electric service for operation of essential emergency equipment.
 - 4.2 Critical Loads – That portion of the electric load of nonresidential customers, which in the event of 100 percent curtailment of service, would cause excessive damage to equipment or material being processed, or where such interruption would create grave hazards to employees or the public.
 - 4.3 Major Use Customers/Others (With Notice) – Those customers having relatively large loads (over 1000 kW) or a substantial number of employees or other special circumstances that make it appropriate to schedule blackouts or curtailments different from typical customers. Customers who qualify as Major Use/Others (With Notice) can take 100 percent curtailment when sufficient notice is provided. These loads will be interrupted after the required notification period. "Sufficient", "required", and "appropriate" notice is that notice that APS, after consultation with the affected customer, has determined will allow the customer to curtail in a safe and efficient manner. Such notice necessarily varies from customer to customer.
 - 4.4 Others (With or Without Notice) – All customers not meeting the above definitions. These customers will be interrupted (with or without notice) if voluntary curtailment measures are not sufficient to alleviate the situation.
5. GUIDELINES TO BE APPLICABLE IN EVENT OF INTERRUPTION OR CURTAILMENT OF ELECTRIC SERVICE BY COMPANY TO ITS CUSTOMERS DUE TO POWER SUPPLY INTERRUPTIONS, FUEL SHORTAGE OR TRANSMISSION EMERGENCY PURSUANT TO CORPORATION COMMISSION RULE R14-2-208, PROVISION OF SERVICE, PARAGRAPH E.

5.1 Operating Procedures Prior to Customer Load Curtailment



SERVICE SCHEDULE 5 GUIDELINES FOR ELECTRIC CURTAILMENT

5.1.1 The following items shall be pursued concurrently

- 5.1.1.1 Reschedule maintenance of transmission components and generating units, where practical.
- 5.1.1.2 Utilize spinning reserve.
- 5.1.1.3 Discontinue all non-firm wholesale sales during any period of involuntary curtailment or when an involuntary curtailment is anticipated.
- 5.1.1.4 Do not enter into any new wholesale sales during any period of involuntary curtailment or when an involuntary curtailment is anticipated.
- 5.1.1.5 Start all standby units.
- 5.1.1.6 Contact other utilities and/or agencies for emergency assistance.
- 5.1.1.7 Invoke emergency and short-term contractual schedules with other utilities and/or agencies.
- 5.1.1.8 Reduce system voltage, where practical.
- 5.1.1.9 Reduce non-essential Company uses such as flood lighting, sign lighting, display lighting, office lighting, electric cooling and heating, etc., where practical.
- 5.1.1.10 Provide information through the media or other appropriate medians to the public which will contain instructions on how customers can assist Company in case of an emergency power outage.
- 5.1.1.11 Work with government agencies and environmental groups to seek waivers on environmental constraints and/or expedite permitting process for company-owned generation, as well as, customer generation, as appropriate.

5.2 Voluntary Customer Load Curtailment

5.2.1 Public Appeal

- 5.2.1.1 An advisory message procedure will be used when Company has advance indications that it will not be able to meet future peak loads. These messages will request voluntary load reduction during specific hours on specific days.
- 5.2.1.2 An emergency bulletin procedure will be used for instant notification to the public in the event there is no advance indication of a power shortage. These bulletins will request the immediate voluntary cooperation of all customers in reducing electric loads.
 - 5.2.1.2.1 These bulletins will request all customers to reduce the use of all electrically operated equipment and devices, where possible.



SERVICE SCHEDULE 5 GUIDELINES FOR ELECTRIC CURTAILMENT

5.2.1.2.2 Company will have a prepared statement to read which will give current information on the Power Supply Interruption, Fuels Shortage or Transmission Emergency.

5.3 Contractually Interruptible Load

5.3.1 Company shall invoke contractual interruption provisions to the extent appropriate.

5.3.2 Company shall interrupt non-firm wholesale customer(s) as appropriate.

5.4 Involuntary Customer Load Curtailment

5.4.1 If the load reduction realized from application of the voluntary curtailment procedures is not sufficient to alleviate the power shortage, Company will reduce voltage if and to the extent practical and in accordance with normal applicable electric utility operation standards.

5.4.2 If further load reduction is required, load will be reduced as follows:

5.4.2.1 Circuits not classified with "Major Use/Others With Notice, Critical or Essential" customers will be interrupted on a rotating basis. The frequency and duration of such interruptions will be dependent upon the magnitude and nature of the power shortage. The frequency and duration of such interruptions shall also consider the circumstances of Major Use Customers.

5.4.2.2 Accurate records will be kept to ensure that these circuits are rotated in an equitable and technically feasible manner.

5.4.2.3 Circuits classified as "Major Use/Others" will be interrupted upon the giving of appropriate notice.

5.4.2.4 Customers on circuits which serve critical loads will be required to curtail the non-critical portion of their loads. Thereafter, circuits which serve critical loads will be identified and will not be interrupted unless an area must be dropped to maintain stability of the electric system. However, loads otherwise classifiable as critical may be curtailed if they possess back-up generation sufficient to meet their entire load requirement. If a customer having a critical load refuses or fails to curtail his electric consumption down to the critical load, he shall thereupon not be considered to have a critical load for purposes of this Schedule.

5.4.2.5 Circuits which serve essential loads will be identified and will not be interrupted unless an area must be dropped to maintain stability of the electric system. However, loads otherwise classifiable as essential may be curtailed if they possess back-up generation sufficient to meet their entire load requirement.

5.5 Sudden Shortages of Power

In the event that time does not allow for the implementation of the Electric Curtailment Guidelines, Company may resort to its emergency operations procedures, with or without notice.



SERVICE SCHEDULE 5 GUIDELINES FOR ELECTRIC CURTAILMENT

5.6 Automatic Load Shedding

In the event that there is a major electrical disturbance threatening the interconnected Southwest system with blackout conditions, emergency devices such as under frequency load shedding, transfer tripping, etc., will be utilized to maintain the optimum system stability.

6. ELECTRIC CURTAILMENT OF FIRM WHOLESALE CUSTOMERS

- 6.1 The term "firm wholesale customer" shall be defined as those APS customers who purchase, on a firm basis, electricity from the Company for purposes of resale.
- 6.2 In any given instance where a curtailment of wholesale power deliveries is involved, and subject to any required approvals of the Federal Energy Regulatory Commission or contractual provisions to the contrary, Company shall notify its firm wholesale customers, requesting that they curtail electric service to their retail customers during the period that Company's system is affected by power shortages. In the event that Company is unable to obtain the cooperation of a firm wholesale customer, it may seek an order from appropriate governmental authority requiring the firm wholesale customer to accept a reduction of electricity deliveries proportionate to the curtailment being effected on Company's system.

7. ELECTRIC LOAD AND CURTAILMENT PLAN

A detailed electric load and curtailment plan shall be kept on file with the Arizona Corporation Commission. This plan shall contain specific procedures for implementation of the above, along with the name(s) and telephone number(s) of the appropriate Company personnel to contact in the event implementation of the plan becomes necessary. This plan shall be updated at least annually, and it or amendments thereto shall become effective upon submission to the Arizona Corporation Commission.

- 7.1 Company shall contact the Director, Utilities Division, or their designee, as soon as practical for any curtailment pursuant to this Schedule #5.



SERVICE SCHEDULE 8 BILL ESTIMATION

Arizona Public Service Company (APS or Company) regularly encounters situations in which APS cannot obtain a complete and valid meter read. Situations that result in an estimated meter read include inclement weather, lack of access to a customer's meter, energy diversion, labor unavailability and equipment malfunction. Without a valid meter read, the customer's energy usage and/or demand must be estimated in order to render a bill for the missing read period. A bill based on estimated usage is often referred to as an "estimated bill."

APS uses situation specific methods to estimate electrical usage to ensure that the most accurate usage estimate is obtained. This Schedule describes the estimation methods and procedures used when an actual meter read cannot be obtained or when energy diversion and/or meter tampering has occurred. The estimating process is applicable to customers receiving Standard Offer service and to direct access customers receiving unbundled delivery service from the Company.

1. GENERAL

- 1.1 Estimating a read for energy (kWh) and/or demand (kW) is performed in accordance with the provisions of this Schedule or such supplemental or amendatory guidelines or regulations as may hereafter be established and as provided by law.
- 1.2 This Schedule shall be considered a part of all rate schedules.
- 1.3 Upon discovery of the need to estimate kWh or kW, Company will make reasonable attempt (s) to secure an accurate meter reading and to resolve no-access issues.
- 1.4 Company is not obligated to obtain, or attempt to obtain, a customer supplied meter read prior to sending an estimated bill. In circumstances where APS has agreed in writing to permit customer supplied meter reads in accordance with Arizona Corporation Commission (ACC or Commission) regulations and that customer fails to provide Company with the meter read, estimation is also allowed.
- 1.5 Estimates due to equipment malfunctions may exceed one month if the malfunction of Company owned or maintained equipment could not be reasonably discovered and/or corrected before the need for additional estimates, or if the equipment malfunction is with regard to customer-owned or maintained equipment.
- 1.6 This schedule is not intended to supersede the Commission's rules and regulations in effect at the time the Commission approved this Schedule 8 without a specific decision of the Commission.

2. BILL ESTIMATION

- 2.1 The causes that result in an estimated bill include but are not limited to:
 - 2.1.1 Inclement weather where conditions prevent meter access or compromise APS employee safety as determined by Company.
 - 2.1.2 Lack of access to the meter either due to conditions on the customer's premise or to road closures that prevent access to the customer's premise.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: December 8, 2007

A.C.C. No. 5769
Canceling A.C.C. No. 5633
Service Schedule 8
Revision No. 1
Effective: January 1, 2010



SERVICE SCHEDULE 8 BILL ESTIMATION

- 2.1.3 Equipment or meter failure or malfunction with no reliable information retained by the meter.
- 2.1.4 Labor unavailability due to circumstances such as unforeseen illness, natural disasters, or other extreme events.
- 2.1.5 Meter tampering or energy diversion resulting in a lack of accurate metered consumption information.
- 2.1.6 An electronic meter reading is obtained, but the data cannot be transferred to a billing computer.
- 2.1.7 Only a partial read for a meter (for example, the total kWh read is obtained from a time-of-use meter, but on-peak kWh and/or kW reads are unavailable). Company will use the read available, and estimate the missing read(s).
- 2.2 The following defines certain conditions under which a bill is not considered estimated:
 - 2.2.1 A bill based on an actual kWh read, following an estimated bill. This is considered a "true-up" bill and has an explanation of "true-up" on the bill.
 - 2.2.2 Rate changes in the middle of the billing cycle.
 - 2.2.3 A meter failure or malfunction which does not prevent the meter from accurately recording customer usage or from being read.
 - 2.2.4 The meter read is not available using electronic meter reading devices, but data is obtained from a visual meter reading.
 - 2.2.5 Meter reading information is not available because the service is provided on an un-metered basis.
 - 2.2.6 Unbundled service for direct access customers is provided on the basis of load profiles in accordance with ACC regulations rather than using interval data metering.
 - 2.2.7 When Company determines a meter is misread, but the actual read on the meter at the time it was read can be determined, Company makes a manual correction to the incorrect read. This includes, but is not limited to, the following examples:
 - 2.2.7.1 A shut-off read is obtained, and on the same day the monthly meter read is taken and is higher by 1 kWh. The monthly meter read is changed to the same read as the shut off read.
 - 2.2.7.2 The serviceman enters a shut-off or turn-on read and then calls into the office to say he entered the read for the wrong address. The correct reads are entered for the appropriate addresses.
 - 2.2.7.3 Accurate consumption information can be obtained from load research meters.



SERVICE SCHEDULE 8 BILL ESTIMATION

- 2.2.8 A bill is estimated, and then rebilled when an actual read is obtained for the same billing period. The first bill is considered an estimated bill and is coded as such. The subsequent bill is considered a corrected bill and is not coded as an estimate, but does contain "corrected bill" language.

3. BILL ESTIMATION METHODS

The following section describes the estimation methods used to estimate energy consumption and demand for most instances. Estimation techniques required where special circumstances exist, such as initial bills, are also described. In general, the estimation methodologies utilize historical data.

3.1 ENERGY ESTIMATION (kWh)

For energy estimation, the following hierarchy is used: 1) The estimate will be based on the customer-specific prior month's energy consumption unless that month was an initial bill. 2) If the prior month's customer-specific energy consumption is not available or was an initial bill, the estimate will be based on the customer-specific energy consumption for the same month in the prior year. 3) If the customer-specific prior month or same month last year energy consumption is unavailable but adequate seasonal customer history exists, energy consumption will be estimated based on daily usage during six months of the same season. 4) If customer-specific energy consumption is not available, the estimate will be based on the prior month's energy consumption at that premise unless that month was an initial bill. 5) If prior month's premise energy consumption is not available or was an initial bill, the premise energy consumption for the same month in the prior year will be used to estimate consumption. 6) If premise-specific prior month or same month last year is unavailable but adequate seasonal premise history exists, energy consumption will be estimated based on daily usage during six months of the same season. 7) When adequate customer or premise history is not available, the estimate is based on the customer class average usage found in Section 3.3.1.

For customers served under time-of-use schedules, the hierarchy listed above will be utilized to develop the estimated on-peak and off-peak energy consumption.

For customers served under rate schedules SC-S, EPR-2, EPR-5, and EPR-6 the hierarchy listed above will be used to estimate the energy consumed by the Customer. Section 3.1.3 below shall be used to estimate any excess energy purchased by the Utility. For customers served under rate schedules E-56, CPP-RES and CPP-GS, the energy estimation will be addressed on a case-by-case basis.

For bill estimation purposes, the Summer Season is defined as May through October and the Winter Season is defined as November through April.

The energy estimation methods are described in detail below.

Previous Month Method

Estimated energy usage is calculated as follows:

1. Determine the number of days for the previous month's billing period.
2. Determine the kWh for the previous month's billing period.



SERVICE SCHEDULE 8 BILL ESTIMATION

3. Divide the previous month kWh by the previous month number of days to determine previous month per day usage.
4. Multiply the previous month per day usage by the number of days in the missing read billing period to yield the kWh for the missing read billing period.

Same Month Prior Year Method

Estimated energy is calculated as follows:

1. Determine the number of days for the same month of the previous year's billing period.
2. Determine the kWh for the same month of the previous year's billing period.
3. Divide the same month prior year's kWh by the same month prior year's number of days to get same month prior year per day usage.
4. Multiply the same month prior year per day usage by the number of days in the missing read billing period to yield the kWh for the missing read billing period.

Seasonal Average Method

Estimated energy is calculated as follows:

Where there is sufficient seasonal history (the number of days billed in the season is between 165 and 195 days), energy is estimated by calculating the average use per day for the same season as the billing period with the missing read. The resulting per day usage is multiplied by the number of days in the missing-read billing period to yield the usage estimate for the billing period. Seasonal average is calculated as follows:

1. Determine the total number of days from each of the previous six same-season months to yield seasonal total days.
2. Add the kWh from each of the previous six same-season months to yield seasonal total kWh.
3. Divide seasonal total kWh by seasonal total days to yield the seasonal per day usage.
4. Multiply the seasonal per day usage by the number of days in the missing read billing period to yield the kWh for the missing read billing period.

Class Average Method

Estimated energy usage is calculated as follows:



SERVICE SCHEDULE 8 BILL ESTIMATION

Where neither customer nor premise history is available, energy is estimated by calculating the average use per day for customer served under the same rate schedule. The resulting per day usage is multiplied by the number of days in the missing-read billing period to yield the usage estimate for the billing period.

3.1.1 TIME-OF-USE AND SEASONAL ESTIMATION (kWh):

If the rate for the estimated billing period is a time-of-use rate and sufficient time-of-use history does not exist for a customer or premise, on-peak energy usage is allocated as follows:

	<u>Super Summer (Jun, Jul, Aug) ET-SP Only</u>	<u>Summer (May through October)</u>	<u>Winter (November through April)</u>
Residential			
ET-1	-	40%	30%
ET-2	-	25%	16%
ET-SP			
Super Peak	12%	-	-
On-Peak (12-3, 6-7)	13%	-	-
On-Peak (12-7)	-	25%	19%
ECT-1R	-	40%	30%
ECT-2	-	23%	16%
Non-Residential			
All	-	32%	31%

NOTE: The percentages specified above will also apply for seasonal estimation of Customer-owned on-site distributed generators to include both the energy consumed by the Customer and any excess energy purchased by the utility.

Seasonal on-peak energy percentages listed above will be modified through general rate case or tariff filings or within three months whenever annual Load Research studies indicate that changes in these data are greater than 5%.

3.1.2 ENERGY ESTIMATION FOR CUSTOMER-OWNED ON-SITE DISTRIBUTED GENERATORS

For energy estimation for Customer-owned on-site distributed generators, the following hierarchy is used: 1) The estimate will be based on each generators previous month's energy output unless that month was an initial bill. 2) If the prior month's generator-specific energy output is not available or was an initial bill, the estimate will be based on the generator-specific energy output for the same month in the prior year. 3) If the generator-specific prior month or same month last year energy output is unavailable but adequate seasonal history exists for a similar type of generator, energy output will be estimated based on the similar generator's output during six months of the same season 4) If similar generator output is not available, the estimate will be based on the prior month's generation output at that premise unless that month was an initial bill. 5) If prior month's premise generator output is not available or was an initial bill, the premise generator output for the same month in the prior year will be used to



SERVICE SCHEDULE 8 BILL ESTIMATION

estimate generator output. 6) If premise-specific prior month or same month last year generator output is unavailable but adequate seasonal premise generation output history exists, energy output will be estimated based on daily generation output during six months of the same season. 7) When adequate Customer or similar generator output history is not available, the generator estimate is based on a 50% availability factor for the month (20% for PV systems).

For customers served under time-of-use schedules, the hierarchy listed above will be utilized to develop the estimated on-peak and off-peak energy consumption.

3.1.3 EXCESS POWER (ENERGY) ESTIMATION FOR CUSTOMERS WITH CUSTOMER-OWNED ON-SITE DISTRIBUTED GENERATORS

This section estimates the amount of Customer-owned on-site distributed generation energy provided to the APS distribution system ("Excess Power"). For Excess Power estimation for Customer-owned on-site distributed generators, the following hierarchy is used: 1) The estimate will be based on the previous month's Excess Power kWh level unless that month was an initial bill. 2) If the prior month's Excess Power kWh level is not available or was an initial bill, the estimate will be based on the Excess Power kWh level for the same month in the prior year. 3) If the Excess Power kWh level for the prior month or same month last year is unavailable but adequate seasonal Excess Power history exists, the Excess Power kWh level will be estimated based on the daily Excess Power kWh level during six months of the same season. 4) If the seasonal daily Excess Power kWh level is not available, the Customer's estimate will be based on the prior month's Excess Power kWh level at that premise unless that month was an initial bill. 5) If prior month's premise Excess Power kWh level is not available or was an initial bill, the premise Excess Power kWh level for the same month in the prior year will be used to estimate the Excess Power kWh level. 6) If premise-specific prior month or same month last year Excess Power kWh level data is unavailable but adequate seasonal premise Excess Power kWh level history exists, the Excess Power kWh level will be estimated based on the daily Excess Power kWh level during six months of the same season. 7) When adequate Customer or similar Excess Power kWh level history is not available, the Excess Power kWh level estimate is based on the following formula:

- a. Residential PV Systems: $(1,630.8 \times \text{the nameplate continuous output power rating of the generating facility}) / 12 \times .10$
- b. All other generating systems will be addressed on a case-by-case basis

For customers served under time-of-use schedules, the hierarchy listed above will be utilized to develop the estimated on-peak and off-peak Excess Power kWh levels.

3.2 DEMAND ESTIMATION

For those accounts where the missing read period is billed on a demand rate and the missing read billing period is not for an initial bill, demand is estimated using the following hierarchy:



SERVICE SCHEDULE 8 BILL ESTIMATION

- 3.2.1 If it is the same customer, use the prior month's demand unless that demand was estimated or is for an initial bill.
- 3.2.2 If it is the same customer, but the prior month's customer-specific demand is not available or was estimated or was an initial bill, use the customer-specific demand read from the same billing month a year ago, unless that demand was estimated or is for an initial bill.
- 3.2.3 If the bill for the same month of the prior year was not for the same customer, or was estimated or for an initial bill, use the premise demand read for the prior month, unless that demand was estimated or is for an initial bill.
- 3.2.4 If the prior month's premise demand was estimated or was an initial bill, use the premise demand read from the same billing month of the prior year, unless that demand was estimated or was for an initial bill.
- 3.2.5 For purposes of this Section 3.2., a demand read is considered "estimated" if the demand was not reset the prior month (or any time thereafter) and the demand read is not greater than the prior month's demand read which was not reset.
- 3.2.6 If none of the above is applicable, apply the rate schedule load factor percentage to the appropriate kWh. The rate schedule load factor percentages are:

<u>Residential:</u>	<u>Load Factor %</u>
-	-
ET-SP Super-Peak	43%
ET-SP On-Peak	38%
ECT-1R	42%
ECT-2	39%
<u>Non-residential:</u>	
All	50%

Load factors listed above will be modified through general rate case or tariff filings or within three months whenever annual Load Research studies indicate that changes in these data are greater than 5%.

- 3.2.7 From time to time, meter reader may be unable to reset demand readings. When this occurs the readings are noted as "Demand Not Reset."
- 3.2.7.1 In the month when the "Demand Not Reset" is noted, the kWh and kW are not estimates and are used for billing purposes.
- 3.2.7.2 In the following month, if the meter reader is able to reset the demand, the "Demand Not Reset" notation is removed.
- 1) If the kW reading is less than the reading for the previous month, the demand is used for billing purposes and is not an estimated demand.
 - 2) If the demand reading is greater than the previous month when the "Demand Not Reset" was noted, the read demand is used.



SERVICE SCHEDULE 8 BILL ESTIMATION

- 3) If the demand reading is equal to the demand reading when the "Demand Not Reset" was noted, demand will be estimated using the procedures described in previous sections of this schedule.

3.2.8 DEMAND ESTIMATION FOR CUSTOMER-OWNED DISTRIBUTED GENERATORS

For those accounts where the missing read period is billed on a demand rate and the missing read billing period is not for an initial bill, demand is estimated using the following hierarchy:

- 3.2.8.1 If it is the same customer, use the prior month's demand from the Customer-owned generator unless that demand was estimated or is for an initial bill.
- 3.2.8.2 If it is the same customer, but the prior month's customer-specific demand from the generator is not available or was estimated or was an initial bill, use the customer-specific demand on the generator from the same billing month a year ago, unless that demand was estimated or is for an initial bill.
- 3.2.8.3 If the demand on the generator for the same month of the prior year was not for the same customer, or was estimated or for an initial bill, use the premise generator demand read for the prior month, unless that demand was estimated or is for an initial bill.
- 3.2.8.4 If the prior month's premise demand from the generator was estimated or was an initial bill, use the premise demand from the generator from the same billing month of the prior year.
- 3.2.8.5 For purposes of this Section 3.2., a demand read on the generator is considered "estimated" if the demand was not reset the prior month (or any time thereafter) and the demand read on the generator is not greater than the prior month's demand read which was not reset.
- 3.2.8.6 If none of the above is applicable, apply the rate schedule load factor percentage to the appropriate kWh. The rate schedule load factor percentages are:

<u>Residential:</u>	<u>Load Factor %</u>
ET-SP Super Peak	43%
ET-SP On-Peak	38%
ECT-1R	42%
ECT-2	39%
<u>Non-residential:</u>	
All	50%

Load factors listed above will be modified through general rate case or tariff filings or within three months whenever annual Load Research studies indicate that changes in these data are greater than 5%.



SERVICE SCHEDULE 8 BILL ESTIMATION

3.2.8.7 From time to time, meter reader may be unable to reset demand readings. When this occurs the readings are noted as "Demand Not Reset."

3.2.8.7.1 In the month when the "Demand Not Reset" is noted, the kWh and kW are not estimates and are used for billing purposes.

3.2.8.7.2 In the following month, if the meter reader is able to reset the demand on the generator, the "Demand Not Reset" notation is removed.

- 1) If the kW reading is less than the reading for the previous month, the demand on the generator is used for billing purposes and is not an estimated demand.
- 2) If the demand reading on the generator is greater than the previous month when the "Demand Not Reset" was noted, the read demand is used.
- 3) If the demand reading is equal to the demand reading when the "Demand Not Reset" was noted, demand will be estimated using the procedures described in previous sections of this schedule.

3.3 INITIAL BILL

An initial bill is the first bill a customer receives for a premise. Examples of an initial bill include a new meter set where no service has previously been provided, or a previously occupied premise that is now in the new connecting customer's name.

If the billing period for an initial bill is fewer than 11 days and no read was obtained, the customer is billed only a daily basic service charge, and any energy used during this period is included in the following month's billing period usage. If the billing period is 11 or more days, the bill is estimated as follows:

3.3.1 ENERGY USAGE (kWh):

If there is no usage history for the premise, a "minimum usage" estimate is multiplied by the number of days in the missing read billing period. The difference in energy used during this period and the "minimum usage" estimate is included in the following month's billing period usage. The "minimum usage" estimates for total kWh are:

Residential:

E-12 25 kWh per day

ET-1 and ET-2 47 kWh per day

ET-SP 47 kWh per day

ECT-1R and ECT-2 75 kWh per day

Non-residential:



SERVICE SCHEDULE 8 BILL ESTIMATION

Under 20 kW	45 kWh per day
Over 20 kW	1,156 kWh per day

NOTE: The minimum usage estimates specified above also apply to energy consumed by the Customer under rate schedules EPR-2 and EPR-5. Excess energy purchased by the utility will be estimated at zero for the initial bill.

Initial bill minimum energy usage estimates for total kWh listed above will be modified through general rate case or tariff filings or within three months whenever annual Load Research studies indicate that changes in these data are greater than 5%.

If there is usage history for the premise, energy will be estimated using the applicable method in Section 3.1. If there is no on-peak usage history for the premise, the allocations found in Section 3.1.1 will be utilized.

3.3.2 DEMAND (kW):

For those accounts where the missing read period is billed on a demand rate, demand is estimated as follows:

For initial bills fewer than 11 days, no demand charge is billed.

For initial bills 11 or more days, the kW is estimated using the same hierarchy as indicated in Section 3.2.

3.4 ADVANCED METER INFRASTRUCTURE (AMI) METERS

When a missing read occurs on an account with an AMI meter, an initial attempt to estimate will be performed using partial month data as available. AMI meter data is normally collected on a daily basis, and therefore would be used to compute an estimate for the billing month, even if some of these daily reads are missing.

3.4.1 For initial and normal bills:

If the latest AMI meter data is available with a meter reading of 11 or more days since the last read date for the previous billing month:

- 1) Review the daily AMI incremental reads to determine the total energy consumption, on-peak percentage and demand for the billing month. Use reads from the latest AMI data to determine a per-day usage value and multiply by the number of days in the current billing period to yield the estimates for total and on-peak usage.
- 2) If the AMI meter data is unavailable use the estimation methods for non-AMI meters.

3.4.2 For initial and normal bills of 10 or less days, use the estimation methods described in Section 3.3.

3.5 DEAD OR FAILING METER



SERVICE SCHEDULE 8 BILL ESTIMATION

For accounts where it is determined the meter is dead or failing, no adjustment to the bill will be made until the new meter is in place at least 11 days. Then the usage for the previous month(s) is to be determined by taking the lower of the per day usage calculated from the new meter, less 3% (plus 3% for estimating customer-owned on-site generation bought by Utility), or the Same Month Prior Year Method described in Section 3.1. Charges for underbillings of dead or failing meters will be limited to three months for residential accounts and six months for non-residential accounts, in accordance with Schedule 1 Section 4.3. In instances where Company believes the customer's usage patterns were different during the dead or failing meter period than those being used to estimate, Company may adjust its estimate downward from either method.

3.6 ENERGY DIVERSION OR METER TAMPERING

In instances where energy diversion or meter tampering has occurred, meter reads from the meter will not accurately reflect all of the energy usage. Energy consumption for the period during which the diversion or meter tampering occurred shall be estimated by calculating a per day usage based on the best available information. This may include 1) metered data obtained from an auxiliary meter installed during the diversion investigation; 2) meter information obtained from the customer's meter after the diversion or meter tampering was discovered by Company and stopped; and 3) consumption history for the customer or site prior to when the diversion or meter tampering began.

In some instances, the estimated consumption based on per day usage may be less than what the meter actually registered during the time period. In those cases, the actual usage will be used in the calculation of the total energy diversion or meter tampering back bill.

3.7 NON-CUSTOMER INFORMATION SYSTEM ESTIMATES

In some instances, an account is coded to not be automatically estimated by Company's Customer Information System (CIS). This occurs when, due to special circumstances of the account (such as: served at substation voltage, receives a power allowance from a federal agency, partial requirements/self-generation, etc.), manual intervention in the billing process is required. For those accounts which are coded to not be automatically estimated by the CIS, additional attempts may be made to obtain meter readings which will be used for billing. If reads are not obtained, then energy and demand will be estimated, using the applicable methods described in this Schedule.

3.8 REBILLS OF PREVIOUS ESTIMATES

In instances where the reads from the previous month are estimated and a subsequent actual read is obtained, the following "true-up" is performed.

3.8.1 ENERGY USAGE

If the actual read following an estimated read is either lower than the estimated read, or, in Company's opinion, considerably higher than the previously estimated read(s), then per day usage is calculated using the difference in kWh between the last actual read and the current month actual read. The per day usage is multiplied by the number of days in each estimated month and each affected month is rebilled using the new per day usage kWh.



SERVICE SCHEDULE 8 BILL ESTIMATION

3.8.2 DEMAND

If the actual demand read obtained after an estimate is lower than the estimated demand read, the previous month(s) estimated demand read(s) are lowered to the subsequent actual demand read.

The estimates used in this Section 3.8 take precedence over the estimating methods described elsewhere in this Service Schedule.



SERVICE SCHEDULE 10 TERMS AND CONDITIONS FOR DIRECT ACCESS

The following terms and conditions and any changes authorized by law will apply to Arizona Public Service Company (Company), Energy Service Providers (ESPs), and their agents that participate in Direct Access under the Arizona Corporation Commission's (ACC) rules for retail electric competition (A.A.C. R14-2-1601, et seq., referred to herein as the "Rules"). "Direct Access customer" refers to any Company retail customer electing to procure its electricity and any other ACC authorized Competitive Services directly from ESPs as defined in the Rules.

Customer Selections

All Company retail customers shall obtain service under one of two options:

1. **Standard Offer Service.** With this election, retail customers will receive all services from Company, including metering, meter reading, billing, collection and other consumer information services, at regulated rates authorized by the ACC. Any customer who is eligible for Direct Access who does not elect to procure Competitive Services shall remain on Standard Offer Service. Direct Access customers may also choose to return to Standard Offer Service after having elected Direct Access.
2. **Competitive Services (Direct Access).** This service election allows customers who are eligible for Direct Access to purchase electric generation and other Competitive services from an ACC certificated ESP. Direct Access customers with single premise demands greater than 20 kW or usage of 100,000 kWh annually will be required to have Interval Metering, as specified in Section 3.6.1. Pursuant to the Rules, and any restrictions herein, the ESP serving these customers will have options available for choosing to offer Meter Services, Meter Reading Services and/or Billing Services on their own behalf (or through a qualified third party), or to have Company provide those services when permitted as specified herein.

1. General Terms

- 1.1 **Definitions.** The definitions of principal terms used in this Schedule shall have the same meaning as ascribed to them in the Rules, unless otherwise expressly stated in this Schedule.

- 1.1.1 **Customer** - Unless otherwise stated, all references to Customer in this agreement refer to Company customers who are eligible for and have elected Direct Access.
- 1.1.2 **Service Account** - Unless otherwise stated, all references to "Service Account" in this agreement shall refer to an installed service, identified by a Universal Node Identifier (UNI).
- 1.1.3 **Local Arizona Time** - All time references in this Schedule are in Local Arizona Time, which is Mountain Standard Time (MST).

2. General Obligations of Company

2.1 Non-Discrimination

- 2.1.1 Company shall discharge its responsibilities under the Rules in a non-discriminatory manner as to providers of all Competitive Services. Unless otherwise authorized by the ACC, the Federal Energy Regulatory Commission ("FERC") or applicable affiliate transactions rules, Company shall not:
- 2.1.1.1 Represent that its affiliates or customers of its affiliates will receive any different treatment with regard to the provision of Company services than other, unaffiliated services providers as a result of affiliation with Company; or



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

- 2.1.1.2 Provide its affiliates, or customers of its affiliates, any preference based on the affiliation including but not limited to terms and conditions of service, information, pricing or timing over non-affiliated suppliers or their customers in the provision of Company services.

2.2 Transmission and Distribution Service

Company will offer transmission and distribution services under applicable tariffs, schedules and contracts for delivery of electric generation to Direct Access customers under the provisions of State law, the terms of the ACC's Rules and Regulations, this Schedule, the ESP Service Acquisition Agreement, applicable tariffs and applicable FERC rules.

3. General Obligations of ESPs

3.1 Timeliness, Due Diligence and Security Requirements

- 3.1.1 ESPs shall exercise due diligence in meeting their obligations and deadlines under the Rules to facilitate customer choice. ESPs shall make all payments owed to Company in a timely manner.
- 3.1.2 ESPs shall adhere to all credit, deposit and security requirements specified in the ESP Service Acquisition Agreement and Company tariffs and schedules.

3.2 Arrangements with ESP Customers

ESPs shall be solely responsible for having appropriate contractual or other arrangements with their customers necessary to implement Direct Access. Company shall not be responsible for monitoring, reviewing or enforcing such contracts or arrangements.

3.3 Responsibility for Electric Purchases

ESPs will be responsible for the purchase of their Direct Access customers' electric generation needs and the delivery of such purchases to designated receipt points as set forth on schedules given to the Scheduling Coordinators ("SCs").

3.4 Company Not Liable for ESP Services

To the extent the customer elects to procure services from an ESP, Company has no obligations to the customer with respect to the services provided by the ESP.

3.5 Load Aggregation for Procuring Electric Generation/Split Loads

- 3.5.1 ESPs may aggregate individually-metered electric loads for procuring competitive electric generation only. Load aggregation shall not be used to compute Company charges or for tariff applicability.
- 3.5.2 Customers requesting Direct Access Services may not partition the electric loads of a Service Account among electric service options or providers. The entire load of a Service Account must be provided by only one (1) ESP. This provision shall not restrict the use of separate parties for metering and billing services.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

3.6 Interval Metering

3.6.1 "Interval Metering" refers to the purchase, installation and maintenance of electricity metering equipment capable of measuring and recording minimum data requirements, including hourly interval data required for Direct Access settlement processes and distribution billing. Interval Metering is required for all customers that elect Direct Access and reach a single site maximum demand in excess of 20 kW one or more times or annual usage of 100,000 kWh or more. Interval Metering is provided by the ESP, at no cost to Company. Interval Metering is optional for those customers with single site maximum demands that are 20 kW or less or annual usage of less than 100,000 kWh.

3.6.2. Company shall determine if Customer meets the requirements for Interval Metering based on historical data, or an estimated calculation of the demand and/or usage for new customers.

3.7 Meter Data Requirements

Minimum meter data requirements consist of data required to bill Company distribution tariffs and determine transmission settlement. Company shall have access to meter data necessary for regulatory purposes or rate-setting purposes pursuant to mutually agreed upon terms with the ESP for such data access.

3.8 Statistical Load Profiles

Company will offer statistical load profiles in place of Interval Metering, for qualifying Customers to estimate hourly consumption for settlement and scheduling purposes. Statistical load profiles will be applied as authorized by FERC.

3.9 Fees and Other Charges

Direct Access customers shall pay all applicable fees, surcharges, impositions, assessments and taxes on the sale of energy or the provisions of other services as authorized by law. The ESP and Company will each be respectively responsible for paying such fees to the taxing or regulatory agency to the extent it is their obligation to do so. Both the ESP and Company will be responsible for providing the authorized billing agent the information necessary to bill these charges to the customer.

3.10 Liability In Connection With ESP Services

3.10.1 "Damages" shall include all losses, harm, costs and detriment, both direct and indirect, and consequential, suffered by Customer or third parties.

3.10.2 Company shall not be liable for any damages caused by Company conduct in compliance with, or as permitted by, Company's electric rules and tariffs, the ESP Service Acquisition Agreement, the Rules, and associated legal and regulatory requirements related to Direct Access service, or as otherwise set forth in Company's Schedule #1.

3.10.3 Company shall not be liable for any damages caused to Customer by any ESP, including failure to comply with Company's electric rules and tariffs, the ESP Service Acquisition Agreement, the Rules, and associated legal and regulatory requirements related to Direct Access service.

3.10.4 Company shall not be liable for any damages caused by the ESP's failure to perform any commitment to Customer.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

3.10.5 An ESP is not a Company agent for any purpose. Company shall not be liable for any damages resulting from acts, omissions, or representations made by an ESP in connection with soliciting customers for Direct Access or rendering Competitive Services.

3.10.6 Under no circumstances shall Company be liable to Customer, ESP (including any entity retained by it to provide competitive services to the customer) or third parties for lost revenues or profits, indirect or consequential damages or punitive or exemplary damages in connection with Direct Access Services. This provision shall not limit remedies otherwise available to customers under Company's schedules and tariffs and applicable laws and regulations.

4. Customer Inquiries and Data Accessibility

4.1 Customer Inquiries – For customers requesting information on Direct Access, Company shall make available the following information:

4.1.1 Materials to consumers about competition and consumer choices.

4.1.2 A list of ESPs that have been issued a Certificate of Convenience and Necessity to offer Competitive Services within Company's service territory. Company will provide the list maintained by the ACC, but Company is under no obligation to assure the accuracy of this list. Reference to any particular ESP or group of ESPs on the list shall not be considered an endorsement or other form of recommendation by Company.

4.2 Access to Customer Usage Data. For Company customers on Standard Offer Service, Company shall provide customer specific usage data to ESP or to Customer, subject to the following provisions:

4.2.1 ESPs may request Customer usage data prior to submission of a Direct Access Service Request ("DASR") by obtaining and submitting to Company the Customer's written authorization on a Customer Information Service Request ("CISR") form. Company may charge for customer usage data at rates approved by the ACC.

4.2.2 Company will provide the most recent twelve (12) months of customer usage data or the amount of data available for that Customer if there is less than twelve (12) months of usage history.

4.3 Customer Inquires Concerning Billing Related Issues

4.3.1 Customer inquiries concerning Company charges or services shall be directed to Company.

4.3.2 Customer inquiries concerning ESP charges or services shall be directed to the ESP.

4.4 Customer Inquiries Related to Emergency Situations and Outages

4.4.1 Company shall be responsible for responding to all Standard Offer Service or, in the case of Direct Access customers, distribution service emergency system conditions, outages and safety situation inquiries related to Company's distribution system. Customers contacting an ESP with such inquiries are to be referred directly to Company for resolution. ESPs performing consolidated billing must show Company's emergency telephone number on their bills.

4.4.2 Company may shed or curtail customer load as provided by its ACC-approved tariffs and schedules, or by other ACC rules and regulations.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

5. ESP Service Establishment

5.1 Before the ESP or its agents can offer Direct Access services in Company's distribution service territory they must meet the applicable provisions as listed:

- 5.1.1 All ESPs must obtain a Certificate of Convenience and Necessity from the ACC which authorizes the ESP to offer Competitive Services in Company's distribution service territory.
- 5.1.2 All ESPs must register to do business in the State of Arizona and obtain all other licenses and registrations needed as a legal predicate to the ESP's ability to offer Competitive Services in Company's distribution service territory.
- 5.1.3 Load Serving ESPs must satisfy creditworthiness requirements as specified in the ESP Service Acquisition Agreement if the ESP chooses the ESP Consolidated Billing option. If the ESP chooses Company UDC Consolidated Billing, they must enter into a Customized Billing Services Agreement.
- 5.1.4 Load Serving ESPs must enter into an ESP Service Acquisition Agreement with Company.
- 5.1.5 All ESPs must satisfy any applicable ACC electronic data exchange requirements including:
 - 5.1.5.1 The ESP and/or its designated agents must complete to Company's satisfaction all necessary electronic interfaces between the ESP and Company to exchange DASRs and general communications.
 - 5.1.5.2 The ESP or its agent must complete to Company's satisfaction all electronic interfaces between the ESP and Company to exchange meter reading and usage data. This includes communication to and from the Meter Reading Service Provider's (MRSP) server for sharing of meter reading and usage data.
 - 5.1.5.3 The ESP must have the capability to electronically exchange data with Company. Alternative arrangements may be acceptable at Company's option.
 - 5.1.5.4 The ESP and its agents must use Electronic Data Interchange (EDI) using Arizona Standard Formats to exchange billing and remittance data with Company when offering ESP Consolidated Billing or Company UDC Consolidated Billing. The ESP and its agents must use the Arizona Standard Format to exchange meter reading data with Company when providing meter reading services. Alternative arrangements may be allowed at Company's option.
- 5.1.6 For Company UDC Consolidated Billing or ESP Consolidated Billing options, compliance testing is required. Both parties must demonstrate the ability to perform data exchange functions required by the ACC and the ESP Service Acquisition Agreement. Any change of the billing agent will require a revalidation of the applicable compliance testing. Provided the ESP is acting diligently and in good faith, its failure to complete such compliance testing shall not affect its ability to offer electric generation to Direct Access customers. Dual Company/ESP Billing will be performed until the compliance testing is completed to Company's satisfaction.
- 5.1.7 Compliance testing will be required for a MRSP when providing meter reading services to ensure that meter data can be delivered successfully. Any change of the MRSP's system, or any change to



SERVICE SCHEDULE 10 TERMS AND CONDITIONS FOR DIRECT ACCESS

the Arizona Standard 867 EDI format, will require a revalidation of the applicable compliance testing.

6. Direct Access Service Request (DASR)

- 6.1 A DASR is submitted pursuant to the terms and conditions of the Arizona DASR Handbook, the ESP Service Acquisition Agreement and this section, and shall also be used to define the Competitive Services that the ESP will provide the customer.
- 6.2 ESPs shall have a CC&N from the ACC; shall have entered into an ESP Service Acquisition Agreement with Company, if required, and shall have successfully completed data exchange compliance testing before submitting DASRs.
- 6.3 The customer's authorized ESP must submit a completed DASR to Company before Customer can be switched from Standard Offer Service or Competitive Service provided by another ESP. The DASR process described herein shall be used for customer Direct Access elections, updates, cancellations, customer-initiated returns to Company Standard Offer Service, or requests for physical disconnection of service and ESP- or customer-initiated termination of an ESP/customer service agreement.
- 6.4 A separate DASR must be submitted for each service delivery point. Each of the five (5) DASR operation types [Request (RQ), Termination of Service Agreement (TS), Physical Disconnect (PD), Cancel (CL) and Update/Change (UC)] has specific field requirements that must be fully completed before the DASR is submitted to Company. A DASR that does not contain the required field information or is otherwise incomplete may be rejected. In accordance with the provisions of the applicable Service Acquisition Agreement, Company may deny the ESP or customer request for service if the information provided in the DASR is false, incomplete, or inaccurate in any material respect. ESPs filing DASRs are thereby representing that they have their customer's authorization for such transaction.
- 6.5 Company requires that DASRs be submitted electronically using Electronic Data Interchange (EDI) or Comma Separated Value (CSV) formats through the Company's web site (<http://esp.apsc.com>).
- 6.6 DASRs will be handled on a first-come, first-served basis. Each request shall be time and date stamped when received by Company.
- 6.7 Once the DASR is submitted, the following timeframes will apply:
 - 6.7.1 Company will respond to RQ, TS, CL and UC DASRs within two (2) working days of the time and date stamp. Company will exercise best efforts (no later than five (5) working days) to provide the ESP with a DASR status notification informing them whether the DASR has been accepted, rejected or placed in a pending status awaiting further information. If accepted, the effective switch date will be determined in accordance with Sections 6.8, 6.9, and 6.12 and will be confirmed in the response to the ESP and the former ESP if applicable. If a DASR is rejected, Company shall provide the reasons for the rejection. If a DASR is held pending further information, it shall be rejected if the DASR is not completed with the required information within thirty (30) working days, or a mutually agreed upon date, following the status notification. Company will send written notification to the customer once the RQ DASR has been processed.
 - 6.7.2 When a customer requests electric services to be disconnected, the ESP is responsible for submitting a PD DASR to Company on behalf of the customer, regardless of the Meter Service Provider (MSP).



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

- 6.7.2.1 When Company is acting as the MSP, Company shall perform the physical disconnect of the service. The PD DASR must be received by Company at least three (3) working days prior to the requested disconnect date. Company will acknowledge the PD DASR status within two (2) working days of the time and date stamp.
- 6.7.2.2 When Company is not acting as the MSP, the ESP is responsible for performing the physical disconnect. The ESP shall notify Company by DADR of the date of the physical disconnect. Disconnect reads must be posted to the server within three (3) working days following the disconnection.
- 6.8 DASRs that do not require a meter exchange must be received by Company at least fifteen (15) calendar days prior to the next scheduled meter read date. The actual meter read date would be the effective switch date. DASRs received less than fifteen (15) calendar days prior to the next scheduled meter read date will be scheduled for switch to Direct Access on the following month's read date.
- 6.9 DASRs that require a meter exchange will have an effective change date to Direct Access as of the meter exchange date. Notification of meter exchange dates shall be coordinated between the ESP, MSP and Company's Meter Activity Coordinator ("MAC").
- 6.10 If more than one (1) RQ DADR is received for a service delivery point within a Customer's billing cycle, only the first valid DADR received shall be processed in that period. All subsequent DASRs shall be rejected.
- 6.11 Upon acceptance of an RQ DADR, a maximum of twelve (12) months of customer usage data, or the available usage for that customer switching from Standard Offer, shall be provided to the ESP. If there is an existing ESP currently serving that customer, that ESP shall be responsible for submitting the customer usage data to the new ESP. In both cases, the customer usage data will be submitted to the appropriate ESP no later than five (5) working days before the scheduled switch date.
- 6.12 Customers returning to Company Standard Offer service must contact their ESP. The ESP shall be responsible for submitting the DADR on behalf of the customer.
- 6.13 ESPs requesting to return a Direct Access customer to Company Standard Offer service shall submit a TS DADR and shall be responsible for the continued provision of the customer's electric supply service, metering, and billing services until the effective change date.
- 6.14 Customers requesting to return to Company Standard Offer service are subject to the same timing requirements as used to establish Direct Access service. Direct Access customers returning to Company Standard Offer service may be subject to the RCDAC-1.
- 6.15 Company may assess a fee for processing DASRs. All fees are payable to Company within fifteen (15) calendar days after the invoice date. All unpaid fees received after this date will be assessed applicable late fees pursuant to Schedule 1. If an ESP fails to pay these fees within thirty (30) days after the due date, Company may suspend accepting DASRs from the ESP unless a deposit sufficient to cover the fees due is currently available or until such time as the fees are paid. If an ESP is late in paying fees, a deposit or an additional deposit may be required from the ESP.
- 6.16 A customer moving to new premises may retain or start Direct Access immediately. The customer must first contact Company to establish a Service Account. The customer will be provided the necessary information that will enable its ESP to submit a DADR. The same timing requirements apply as set forth in Section 6.8 and 6.9.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

- 6.17 Billing and metering option changes are requested through a UC DASR and cannot be changed more than once per billing cycle.
- 6.18 Company shall not hold the ESP responsible for any customer unpaid billing charges prior to the customer's switch to Direct Access. Unpaid billing charges shall not delay the processing of DASRs and shall remain the customer's responsibility to pay Company. Company's Schedule 1 applies in the event of customer non-payment, which includes the possible disconnection of distribution services. Company shall not accept any DASRs submitted for customers who have been terminated for nonpayment and have not yet been reinstated. Disconnection by Company of a delinquent customer shall not make Company liable to the ESP or third-parties for the customer's disconnection.
- 6.19 Company shall not accept DASRs that specify a switch date of more than sixty (60) calendar days from the date the DASR is submitted.

7. Billing Service Options and Obligations

- 7.1 Subject to availability, and pursuant to the terms in the ESP Service Acquisition Agreement, this Schedule 10, and applicable tariffs and the restrictions therein, ESPs may select among the following billing options:

- 7.1.1 COMPANY UDC CONSOLIDATED BILLING
- 7.1.2 ESP CONSOLIDATED BILLING
- 7.1.3 DUAL COMPANY/ESP BILLING

7.2 COMPANY UDC CONSOLIDATED BILLING

- 7.2.1 The customer's authorized ESP sends its bill-ready data to Company, and Company sends a consolidated bill containing both Company and ESP charges to the Customer.

7.2.2 Company Obligations:

- 7.2.2.1 Company shall bill the ESP charges and send the bill either by mail or electronic means to the customer. Company is not responsible for computing or determining the accuracy of the ESP charges. Company is not required to estimate ESP charges if the expected bill ready data is not received nor is Company required to delay Company billing. Billing rendered on behalf of the ESP by Company shall comply with A.A.C. R14-2-1612.

- 7.2.2.2 Company bills shall include in Customer's bill a detailed total of ESP charges and applicable taxes, assessments and billed fees, the ESP's name and telephone number, and other information provided by the ESP.

- 7.2.2.3 If Company processes Customer payments on behalf of the ESP, the ESP shall receive payment for its charges as specified in Section 7.7.

7.2.3 ESP Obligations

- 7.2.3.1 Once a billing election is in place as specified in the ESP Service Acquisition Agreement, the ESP may offer Company UDC Consolidated Billing services to Direct Access customers pursuant to the terms and conditions of the applicable ACC approved tariff.



SERVICE SCHEDULE 10 TERMS AND CONDITIONS FOR DIRECT ACCESS

- 7.2.3.2 The ESP shall submit the necessary billing information to facilitate billing services under this billing option by Service Account, according to Company's meter reading schedule, and pursuant to the applicable tariff. Timing of billing submittals is provided for in Section 7.2.4 below.

7.2.4 Timing Requirements

- 7.2.4.1 Bills under this option will be rendered once a month. Nothing contained in this Schedule shall limit Company's ability to render bills more frequently consistent with Company's existing practices. However, if Company renders bills more frequently than once a month, ESP charges need only to be calculated based on monthly billing periods.
- 7.2.4.2 Except as provided in Section 7.2.4.1, Company shall require that all ESP and Company charges be based on the same billing period data.
- 7.2.4.3 ESP charges for normal monthly customer billing and any adjustments for prior months' metering or billing errors must be received by Company in EDI "810" format no later than 4:00 p.m. Local Arizona Time on the third working day following the Last Meter Read/First Bill Date. If billing charges have not been received from the ESP by this deadline, Company will render a bill for Company charges only. The ESP must wait until the next billing cycle, unless there is a mutual agreement for Company to send an interim bill. If Company renders the bill for Company charges only, Company will include a note on the bill stating that ESP charges will be forthcoming. An interim bill issued pursuant to this Section may also include a message that Company charges were previously billed.
- 7.2.4.4 ESP charges for a Physical Disconnect Final Bill must be received by 4:00 p.m. Local Arizona Time on the sixth working day following the actual disconnect date. If final billing charges have not been received from the ESP by this date, Company will render the customer's final bill for Company charges only, without the ESP's final charges. If Company renders the bill for Company charges only, Company will include a note on the bill stating that ESP charges will be forthcoming. The ESP must send the final charges to Company. Company will produce and send a separate bill for the final billing charges.

7.2.5 Restrictions

Company UDC Consolidated Billing shall be an option for individual customer bills only, not an aggregated group of customers. Nothing in this Section precludes each individual customer in an aggregated group, however, from receiving the customer's individual bills under Company UDC Consolidated Billing.

7.3 ESP CONSOLIDATED BILLING

- 7.3.1 Company calculates and sends its bill-ready data to the ESP. The ESP in turn sends a consolidated bill to its customer. The ESP shall be obligated to provide the customer detailed Company charges to the extent that the ESP receives such detail from Company. The ESP is not responsible for the accuracy of Company charges.

7.3.2 Company Obligations:

- 7.3.2.1 Company shall calculate all its charges once per month based on existing Company billing cycles and provide these to the ESP to be included on the ESP consolidated bill or as



SERVICE SCHEDULE 10 TERMS AND CONDITIONS FOR DIRECT ACCESS

otherwise specified. Company and the ESP may mutually agree to alternative options for the calculation of Company charges.

7.3.2.2 Company shall provide the ESP with sufficient detail of its charges, including any adjustments for prior months' metering and billing error, by EDI "810" format. Company charges that are not transmitted to the ESP by 4:00 p.m. Local Arizona Time on the third working day following the Last Meter Read/First Bill Date need not be included in the ESP's bill. If Company's billing charges have not been received by such date, the ESP may render the bill without Company charges unless there is a mutual agreement to have the ESP send an interim bill to the customer including Company charges. The ESP will include a message on the bill stating that Company charges are forthcoming.

7.3.2.3 For a Physical Disconnect Final Bill, Company will provide the ESP with Company's final bill charges by 4:00 p.m. Local Arizona Time on the sixth working day following the actual disconnect date. If Company's billing charges have not been received by such date, the ESP may render the bill without Company charges. The ESP shall include a message on the bill stating that Company charges are forthcoming. Company will send the final bill charges to the ESP, and the ESP will produce and deliver a separate bill for Company charges.

7.3.3 ESP Obligations:

7.3.3.1 Once an ESP Service Acquisition Agreement is entered into, including an appropriate billing election, and all other applicable prerequisites are met, the ESP may offer consolidated billing services to Direct Access customers they serve.

7.3.3.2 The ESP bill shall include any billing-related details of Company charges. Company charges may be printed with the ESP bill or electronically transmitted. Billing rendered on behalf of Company by the ESP shall comply with A.A.C. R14-2-1612.

7.3.3.3 Other than including the billing data provided by Company on the customer's bill, the ESP has no obligations regarding the accuracy of Company charges or for disputes related to these charges. Disputed charges shall be handled according to ACC procedures.

7.3.3.4 The ESP shall process customer payments and handle collection responsibilities. Under this billing option, the ESP must pay all charges due to Company and not disputed by the customer as specified in Section 7.7.2.1.

7.3.3.5 Subject to the limitations of this Section and with the written consent of the Customer, the ESP may offer customers customized billing cycles or payment plans which permit the Customer to pay the ESP for Company charges in different amounts than Company charges to the ESP for any given billing period. Such plans shall not, however, affect in any manner the obligation of the ESP to pay all Company charges in full. Should Customer select an optional payment plan, all Company charges must be billed in accordance with A.A.C. R14-2-210(G).

7.3.4 Timing Requirements

ESPs may render bills more or less frequently than once a month. However, Company shall continue to bill the ESP each billing cycle period for the amounts due by the customer for that billing month.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

7.4 DUAL COMPANY/ESP BILLING

Company and the ESP each separately bill the customer directly for services provided by them. The billing method is the sole responsibility of Company and the ESP. Company and the ESP shall process only the customer payments relating to their respective charges.

7.5 Billing Information and Inserts

7.5.1 All customers, including Direct Access customers, shall receive mandated legal, safety and other notices equally in accordance with A.A.C. R14-2-204 (B). If the ESP is providing consolidated billing, Company shall make available one (1) copy of these notices to the ESP for distribution to customers or, at the ESP's request, in electronic format to the ESP for production and communication to electronically billed Customers. If Company is providing Consolidated billing services, Company shall continue to provide these notices.

7.5.2 Under Company UDC Consolidated Billing, ESP bill inserts may be included pursuant to the applicable Company tariff.

7.6 Billing Adjustments for Meter and Billing Error

7.6.1 Meter and Billing Error

7.6.1.1 The MSP (including the ESP or Company if providing such services) shall resolve any meter errors and must notify the ESP and Company, as applicable, so any billing adjustments can be made. All other affected parties, including the appropriate Scheduling Coordinator, shall be notified by the ESP.

7.6.1.2 A billing error is the incorrect billing of Customer's energy or demand. If the MSP, MRSP, ESP or Company becomes aware of a potential billing error, the party discovering the billing error shall contact the ESP and Company, as applicable, to investigate the error. If it is determined that there is in fact a billing error, the ESP and Company will make any necessary adjustments and notify all other affected parties in a timely manner.

7.6.1.3 Company UDC Consolidated Billing

7.6.1.3.1 Company shall be responsible for notifying Customer and adjusting the bill for its charges to the extent those charges were affected by the meter or billing error.

7.6.1.3.2 The ESP shall be responsible for any recalculation of the ESP charges. Following the receipt of the recalculated charges from the ESP, the charges or credits will be applied to Customer's next normal monthly bill, unless there is mutual agreement to have Company send an interim bill to the Customer including the ESP's charges.

7.6.1.4 ESP Consolidated Billing

7.6.1.4.1 The ESP shall be responsible for notifying the Customer and adjusting the bill for ESP charges to the extent those charges were affected by the meter or billing error. The Customer shall be solely responsible for obtaining refunds of ESP electric generation overcharges from its current and prior ESPs, as appropriate.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

- 7.6.1.4.2 Company shall transmit its adjusted charges and any refunds to the ESP with Customer's next normal monthly bill. The ESP shall apply the charges to Customer's next normal monthly bill, unless there is a mutual agreement to have the ESP send an interim bill to Customer including Company charges.

7.6.1.5 Dual Company/ESP Billing

- 7.6.1.5.1 Company and the ESP shall be separately responsible for notifying Customer and adjusting its respective bill for their charges.

7.7 Payment and Collection Terms

7.7.1 Company UDC Consolidated Billing

- 7.7.1.1 Company shall remit payments to the ESP for the total ESP charges collected from Customer within three (3) working days after Customer's payment is received. Company is not required to pay amounts owed to the ESP for ESP charges billed but not received by Company.
- 7.7.1.2 Customer is obligated to pay Company for all undisputed Company and ESP charges consistent with existing tariffs and other contractual arrangements for service between the ESP and the customer.
- 7.7.1.3 The ESP is responsible for all collections related to the ESP services on the Customer's bill, including, but not limited to, security deposits and late charges unless otherwise agreed upon in the customized billing services agreement between ESP and Company.
- 7.7.1.4 Payment for any Company charges for Consolidated Billing is due in full from the ESP within fifteen (15) calendar days of the date Company charges are rendered to the ESP. Any payment not received within this time frame will be assessed applicable late charges pursuant to Schedule 1. If an ESP fails to pay these charges prior to the next billing cycle, Company may revert the billing option for that ESP's customers to Dual Billing pursuant to Section 7.10.4. If an ESP is late in paying charges a deposit or additional deposit as provided for in Section 7.11 may be required.

7.7.2 ESP Consolidated Billing

- 7.7.2.1 Payment is due in full from the ESP within fifteen (15) calendar days after the date Company's charges are rendered to the ESP. The ESP shall pay all undisputed Company charges regardless of whether Customer has paid the ESP. All payments received after fifteen (15) calendar days will be assessed applicable late charges pursuant to Schedule 1. If an ESP fails to pay these charges prior to the next billing cycle, Company may revert the billing option for that ESP's customers to Dual Billing pursuant to Section 7.10.4. If an ESP is late in paying charges a deposit or additional deposit as provided for in Section 7.11 may be required.
- 7.7.2.2 Company shall be responsible for any follow-up inquiries with the ESP if there is question concerning the payment amount.
- 7.7.2.3 Company has no payment obligations to the ESP for Customer payments under ESP Consolidated Billing services.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

7.7.3 Dual Company/ESP Billing

Company and the ESP are separately responsible for collection of Customer payment for their respective charges.

7.8 Late or Partial Payments and Unpaid Bills

7.8.1 Company UDC Consolidated Billing

7.8.1.1 Company shall not be responsible for ESP's Customer collections, collecting the unpaid balance of ESP charges from Customers, sending notices informing Customers of unpaid ESP balances, or taking any action to recover the unpaid amounts owed the ESP. The ESP shall assume any collection obligations and/or late charge assessments for late or unpaid balances related to ESP charges under this billing option.

7.8.1.2 All Customer payments shall be applied first to unpaid balances identified as Company charges until such balances are paid in full, then applied to ESP charges. A Customer may dispute charges as provided by A.A.C. R14-2-212, but a Customer will not otherwise have the right to direct partial payments between Company and the ESP.

7.8.1.3 ACC rules shall apply to late or non-payment of all Company customer charges. Undisputed Company delinquent balances owed on a customer account shall be considered late and subject to Company late payment procedures.

7.8.2 ESP Consolidated Billing

The ESP shall be responsible for collecting both unpaid ESP and Company charges, sending notices informing Customers of unpaid ESP and Company balances, and taking appropriate actions

to recover the amounts owed. Company shall not assume any collection obligations under this billing option and ESP is liable to Company for all undisputed payments owed Company.

7.8.3 Dual Company/ESP Billing

Company and the ESP are responsible for collecting their respective unpaid balances, sending notices to Customers informing them of the unpaid balance, and taking appropriate actions to recover their respective unpaid balances. Customer disputes with ESP charges must be directed to the ESP and Customer disputes with Company charges must be directed to Company.

7.9 Service Disconnects and Reconnects

In accordance with ACC rules, Company has the right to disconnect electric service to the Customer for a variety of reasons, including, but not limited to, the non-payment of Company's final bills or any past due charges by Customer, or evidence of safety violations, energy theft, or fraud, by Customer. The following provides for service disconnects and reconnects.

7.9.1 Company shall notify Customer and Customer's ESP of Company's intent to disconnect electric service for the non-payment of Company charges prior to disconnecting electric service to the Customer. Company shall further notify the ESP at the time Customer has been disconnected. To the extent authorized by the ACC, a service charge shall be imposed on Customer if a field call is performed to disconnect electric service.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

- 7.9.2 Company shall reconnect electric service for a fee when the criteria for reconnection have been met to Company's satisfaction. Company shall notify the ESP of a Customer's reconnection.
- 7.9.3 Company shall not disconnect electric service to Customer for the non-payment of ESP charges by Customer. In the event of non-payment of ESP charges by Customer, the ESP may submit a DASR requesting termination of the service agreement and request return to Company Standard Offer Service. Company will then advise the Customer that they will be placed on Company Standard Offer Service unless a DASR is received from another ESP on their behalf.

7.10 Involuntary Service Changes

- 7.10.1 A Customer may have its service of electricity, billing, or metering from an ESP changed to another provider, including Company, involuntarily in the following circumstances:
- 7.10.1.1 The ACC has decertified the ESP or the ESP otherwise receives an ACC order that prohibits the ESP from serving the customer.
- 7.10.1.2 The ESP, including its agents, has materially failed to meet its obligations under the terms of its ESP Service Acquisition Agreement with Company (including applicable tariffs and schedules) so as to constitute an Event of Default under the terms of the ESP Service Acquisition Agreement, and Company exercises its contractual right to terminate the ESP Service Acquisition Agreement.
- 7.10.1.3 The ESP has materially failed to meet its obligations under the terms of the ESP Service Acquisition Agreement (including applicable tariffs and schedules) so as to constitute an Event of Default and Company exercises a contractual right to change billing options.
- 7.10.1.4 The ESP ceases to perform by failing to provide schedules through a Scheduling Coordinator whenever such schedules are required, or the ESP fails to have a Service Acquisition Agreement in place with a Scheduling Coordinator.
- 7.10.1.5 The Customer fails to meet its Direct Access requirements and obligations under the ACC rules and Company tariffs and schedules.

7.10.2 Change of Service Election in Exigent Circumstances

In the event Company finds that an ESP or the Customer has materially failed to meet its obligations under this Schedule or the ESP Service Acquisition Agreement such that Company elects to invoke its remedies under Section 7.10 (other than termination of ESP Consolidated Billing under Section 7.10.1.3) and the failure constitutes an emergency (defined as posing a substantial threat to the reliability of the electric system or to public health and safety), or the failure relates to ESP's sale of unscheduled energy, Company may initiate a change in the Customer's service election, or terminate an ESP's ability to offer certain services under Direct Access. In such case, Company shall initiate the change or termination by preparing a DASR, but the change or termination may be made immediately notwithstanding the applicable DASR processing times set forth in this Schedule. Company shall provide such notice and opportunity to remedy the problem if there are reasonable circumstances prevailing. Additionally, Company shall notify the ACC of the circumstances that required the change or the termination and the resulting



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

action taken by Company. The ESP and/or Customer shall have the right to seek an order from the ACC restoring the customer's service election and/or the ESP's ability to offer services. Unless expressly ordered by the ACC, the provisions of this section shall not disconnect electric service provided to Customer other than as provided in Section 4.4.2.

7.10.3 Change in Service Election Absent Exigent Circumstances

7.10.3.1 In the event Company finds that an ESP has materially failed to meet its obligations under this Schedule or the ESP Service Acquisition Agreement such that Company seeks to invoke its remedies under Section 7.10 (other than termination of ESP Consolidated Billing under Section 7.10.1.3), and the failure does not constitute an emergency (as defined in Section 7.10.2) or involve an ESP's unauthorized energy use, Company shall notify the ESP and the ACC of such finding in writing stating the following:

- 7.10.3.1.1 The nature of the alleged failure;
- 7.10.3.1.2 The actions necessary to remedy the failure;
- 7.10.3.1.3 The name, address and telephone number of a contact person at the Company authorized to discuss resolution of the failure.

7.10.3.2 The ESP shall have thirty (30) calendar days from receipt of such notice to remedy the alleged failure or reach an agreement with Company regarding the alleged failure. If the failure is not remedied and no agreement is reached between Company and the ESP

following this thirty (30) day period, Company may initiate the DASR process set forth in this Schedule to accomplish its remedy and shall notify the customers of such remedy. Unless expressly ordered by the ACC, the provisions of this section shall not disconnect electric service provided to the customer other than as provided in Section 4.4.2.

7.10.4 Termination of ESP Consolidated Billing

7.10.4.1 Company may terminate ESP Consolidated Billing under the following circumstances:

7.10.4.1.1 The Company shall notify affected Customers that ESP Consolidated Billing services will be terminated, and the Company may switch affected Customers to Dual Company/ESP billing as promptly as possible if any of the following occur:

- 7.10.4.1.1.1 Company finds that the information provided by the ESP in the ESP Service Acquisition Agreement is materially false, incomplete, or inaccurate.
- 7.10.4.1.1.2 The ESP attempts to avoid payment of Company charges.
- 7.10.4.1.1.3 The ESP files for bankruptcy.
- 7.10.4.1.1.4 The ESP fails to have an involuntary bankruptcy proceeding filed against the ESP dismissed within sixty (60) calendar days.
- 7.10.4.1.1.5 The ESP admits insolvency.
- 7.10.4.1.1.6 The ESP makes a general assignment for the benefit of creditors.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

- 7.10.4.1.1.7 The ESP is unable to pay its debts as they mature.
- 7.10.4.1.1.8 The ESP has a trustee or receiver appointed over all, or a substantial portion, of its assets.
- 7.10.4.1.2 If the ESP fails to pay Company (or dispute payment pursuant to the procedures set forth in this Schedule) the full amount of all Company charges and fees by the applicable due date, Company shall notify the ESP of the past due amount within two (2) working days of the applicable past due date. If the ESP incurs late charges on more than two (2) occasions or fails to pay overdue amounts including late charges within five (5) working days of the receipt of notice by Company, Company may notify the ESP's customers and the ESP that ESP Consolidated Billing services will be terminated, and that Customers shall be switched to Dual Billing.
- 7.10.4.1.3 If the ESP fails to comply within thirty (30) calendar days of the receipt of notice from Company of any additional credit, security or deposit requirements set forth in Sections 5.1.3 and 7.11, Company may notify the ESP that ESP Consolidated Billing services will be terminated, and that Customers shall be switched to Dual Billing.
- 7.10.4.2 Upon termination of ESP Consolidated Billing pursuant to Section 7.10.4, Company may deliver a separate bill for all Company charges which were not previously billed by the ESP.
- 7.10.4.3 Company may reinstate the ESP's eligibility to engage in ESP Consolidated Billing upon a reasonable showing by the ESP that the problems causing the revocation of ESP Consolidated Billing have been cured, including payment of any late charges, reestablishing credit requirements in compliance with Sections 5.1.4 and 7.11, and payment to Company of all costs associated with changing ESP customers' billing elections to and from dual billing.
- 7.10.4.4 In the event Company terminates ESP Consolidated Billing, Company will return any security posted by the ESP pursuant to the ESP Service Acquisition Agreement.
- 7.10.5 Termination of Company UDC Consolidated Billing
- 7.10.5.1 Company may terminate Company UDC Consolidated Billing and revert to Dual Billing upon providing thirty (30) calendar days notice to an ESP if ESP fails to pay Company charges in connection with Company UDC Consolidated Billing or otherwise fails to comply with its obligations under Section 7.2.
- 7.10.5.2 Company may terminate Consolidated Billing upon providing thirty (30) days notice to an ESP if Company cancels or changes the tariff governing Company UDC Consolidated Billing.
- 7.10.6 Upon termination of ESP Direct Access services pursuant to Section 7.10, the provision of the affected service(s) shall be assumed by another eligible ESP from which the Customer elects to obtain the affected service(s). Absent an election by Customer, Company shall provide such services, until such time that Customer makes an election.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

7.10.7 Company shall not use involuntary service changes in an anticompetitive or discriminatory manner.

7.11 ESP Security Deposits

7.11.1 Company may, at its discretion, require cash security deposits from any ESP that has on more than one occasion failed to pay Company charges or ACC-approved Direct Access charges within the established time frame, such as DASR fees, meter or billing error or service fees, and other fees applicable to an ESP through Schedule 10 and Company's other tariffs and schedules.

7.11.2 The amount of the security deposit required shall not exceed two and one-half times the estimated maximum monthly bill to the ESP for such charges, and a separate security deposit may be required for separate categories of ESP or Direct Access charges.

7.11.3 Security deposits required pursuant to Section 7.11 shall be in the form of a cash deposit accruing interest as specified in Section 2.7.4 of Company Schedule 1. Company shall issue the ESP a nonnegotiable receipt for the amount of the deposit.

7.11.4 Company may refuse to accept DASRs from, or provide other Company services to, an ESP that fails to comply within thirty (30) calendar days to a demand that the ESP establish a security deposit pursuant to Section 7.11

8. Meter Services

8.1 Under Direct Access, ESPs may offer certain metering services for Direct Access implementation, including meter ownership, MSP and MRSP services.

8.2 Company has the right to offer the following meter services:

8.2.1 Metering and Meter Reading for all Direct Access Customers.

8.2.1.1 If the ESP subcontracts with the UDC for Meter Services they must subcontract for both Metering and Meter Reading Services. The ESP shall remain responsible for all cost associated with Metering, Meter Installation, Meter Communications and other MSRP related cost. All such cost shall be authorized by the ACC.

8.2.2 Services as authorized by the ACC.

8.2.3 Company reserves the right to perform meter disconnects, regardless of meter ownership, in cases of potential safety hazards or non-payment for Company charges.

8.3 A Load Serving ESP may sub-contract Metering or Meter Reading Services to a certificated third party or the UDC. If the ESP sub-contracts any of the components of these services to a third party or UDC, the ESP shall, for the purposes of this Schedule, remain responsible for the services including communication equipment, meter reading equipment and associated maintenance necessary to obtain reads from specialized meters that may be required by a Direct Access Customers.

8.4 Load Serving ESPs providing Metering or Meter Reading Services to Direct Access customers either on their own or through a third party or UDC assume full responsibility for meeting the applicable meter and communication standards, as well as assuming responsibility for the safe installation and operation of the meter and any personal injuries and damage caused to customer or Company property by the meter or its



SERVICE SCHEDULE 10 TERMS AND CONDITIONS FOR DIRECT ACCESS

installation. This liability will lie with the ESP regardless of whether the ESP or its subcontractors perform the work.

8.5 Meter Specifications

8.5.1 The Director of Utilities Division of the ACC has determined the following specifications and standards shall apply to competitive metering where applicable (see Performance Metering Specifications and Standards document):

8.5.2 Metering standards (American National Standards Institute):

ANSI C12.1	Code for Electricity Metering
ANSI C12.6	Marketing & Arrangement of Terminals for Phase Shifting Devices used in Metering
ANSI C12.7	Watt-hour Meter Socket
ANSI C12.10	Electromechanical Watt-hour Meters
ANSI C12.13	Electronic TOU Registers for Electricity Meters
ANSI C12.18	Type 2 Optical Port
ANSI C12.20	0.2% & 0.5% Accuracy Class Meters
ANSI C37.90	Surge Withstand Test ANSI 57.13 Instrument Transformers (All CTs & PTs)
ANSI Z1.4	Sampling Procedures and Tables for Inspection
ANSI Z1.9	Sampling Procedures and Tables for Inspection

8.5.3 EEI Electricity Metering Handbook

8.5.4 Electric Utilities Service Equipment Requirements Committee (EUSERC)

8.5.5 NEC & Local Requirements by jurisdictions

8.5.6 Company's Electric Service Requirements Manual (ESRM)

8.5.7 National Electrical Safety Code (NESC)

8.5.8 ESPs or their contractors providing competitive metering services shall also comply with such other specifications or standards determined to be applicable or appropriate by the ACC's Director of Utilities Division.

8.6 Meter Conformity

8.6.1 All Direct Access meters shall have a visual kWh display and must have a physical interface to enable on-site interrogation of all stored meter data. All meters installed must support the Company's rate schedules.

8.6.2 If Company is providing MRSP functions for the ESP, pursuant to the Rules, meters must be compatible with Company's meter reading system.

8.6.3 No meter or associated metering equipment shall be set or allowed to remain in service if it is determined that the meter or its associated equipment did not meet approved specifications, as set forth in Company's ESRM, or is in violation of any code listed in Section 8.5.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

8.7 Meter Testing

8.7.1 If a manufacturer's sealed meter has not previously been set and the meter was tested within the last twelve (12) months, the meter shall be deemed in compliance with ACC standards without additional testing.

8.7.2 Any meter removed from service shall be processed according to the following table prior to its re-installation:

METER TYPE	REMOVAL REASON	ACTION REQUIRED
1 Ph kWh Electro-Mechanical	Routine	Meter Inspection
1 Ph kWh Electro-Mechanical	Trouble	Meter Test
1 Ph kWh Hybrid or Solid State	Routine	Meter Test
1 Ph TOU (all)	Trouble	Meter Test
3 Ph Meters (all)	All	Meter Test
1 Ph or 3 Ph IDR Meters	All	Meter Test

8.7.3 Meter tests are to be conducted in accordance with ANSI C12.1 recommended testing standards.

8.7.4 Records on meter testing shall be maintained by the MSP and provided to the requesting parties within three (3) working days of such a request for such records. The latest meter test record shall be kept as long as the meter is in service.

8.8 Meter Test Requests

Pursuant to A.A.C. R14-209(F), either party may request that the other party perform a meter test, in which instance the requesting party is entitled to witness the test if it so chooses. The requesting party shall be notified of the test date and written test results from the testing party. If the meter is found to be within ACC-approved standards, the requesting party shall reimburse the other party for all costs incurred in the process of testing the meter (per ACC approved tariffs). The MSP shall take reasonable measures to detect meter error. The MSP shall notify Company as soon as it becomes aware of any meter that is not operating in compliance with ACC performance specifications. The MSP shall make any repairs or changes required to correct the error. ESPs and Company shall use a form approved by the ACC Process Standardization Working Group (PSWG) to initiate and respond to such action.

8.9 Meter Identification

8.9.1 The ESP or its agent shall install a Company provided unique number on each meter. Company will provide the unique numbers printed on stickers in blocks of up to 1,000 numbers. These stickers must be readily visible from the front of the meter. The number assigned to that meter shall remain solely with that meter while in use in Company's service territory.

8.9.2 When an ESP installs either its own meter or a customer owned meter, the ring or lock ring must be secured with a blue seal that is imprinted with the name and/or logo of the ESP or their agent.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

8.10 Installation of metering equipment

- 8.10.1 All metering equipment shall be installed according to all applicable ACC requirements and Company's Electric Service Requirements Manual.
- 8.10.2 An ESP or its agent must be authorized by Company to remove a Company owned meter. The Existing Meter Information (EMI) form will be sent to the ESP and MSP within five (5) working days within receiving the DASR acceptance notification indicating a pending meter exchange. When the MSP intends to remove a Company meter, Company must receive a Meter Data Communication Request (MDCR) format at least five (5) working days prior to the exchange. Upon completion of the meter exchange, the MSP will return the Meter Installation/Removal Notification (MIRN) form to Company by the end of business, three (3) working days from the day of the exchange.
- 8.10.3 The ESP or its agent shall inform Company of all meter activity, such as meter installations or exchanges, via the Meter Activity Coordination (MAC) Form within the time frames specified above. If final meter reads are not provided to Company, are inaccurate, or otherwise result in Company not being able to render accurate final bills to customers pursuant to ACC Rules and Regulations, the ESP shall be responsible for any unbilled, disputed, or unrecoverable amounts and applicable late charges.
- 8.10.4 The ESP or its agent shall return the existing meter to Company at one of Company's designated locations identified in the meter drop off list within fifteen (15) working days after its removal, or be charged the cost of the meter and metering equipment and /or any other charges per the applicable ACC-approved tariff. The ESP or its agent shall be responsible for damage to the meter occurring during shipment.

8.11 On-Site Inspections/Site Meets

- 8.11.1 Company may perform on-site inspections of meter installations. The ESP shall be notified if the inspections uncover any material non-compliance by the MSP with the approved specifications and standards.
- 8.11.2 For new construction, the party installing the meter shall ensure that the owner/builder has met the construction standards outlined in Company's ESRM, and Company's Transmission and Distribution construction manual, as well as local municipal agency requirements, and any updates, supplements, amendments and other changes that may be made to these manuals and requirements.

Company shall perform a preinstallation inspection on all new construction. Local city/county clearances may also be required prior to energizing any new construction.

- 8.11.3 Company may require a site meet for: the exchange or removal of an IDR meter which requires an optical device to retrieve interval data; the exchange or removal of equipment at an existing totalized metering installation; a restricted access location for which Company forbids key access; cogeneration sites, bi-directional or detented metering sites; or upon request of an ESP or MSP. The ESP and Company's MAC shall coordinate the time of the site meet. If the ESP or MSP miss two (2) site meets, Company may cancel the applicable DASR. Company may charge for a site meet requested by the ESP or MSP, or if the ESP or MSP fails to arrive within thirty (30) minutes of the appointment time, or if the ESP fails to cancel a site meet at least one (1) working day in advance of the appointment time.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

8.12 Meter Service Options and Obligations

8.12.1 Meter Ownership shall be limited to Company, an ESP, or the customer. The customer must obtain the meter through Company or an ESP. Although a customer may own the electric meter, maintenance and servicing of the metering equipment shall be limited to Company, the ESP, or the ESP's qualified representative (MSP).

8.12.2 If the ESP or customer owns the meter, the ESP must own the CTs, PTs, and associated equipment, except as provided in Section 8.12.3. The ESP may purchase existing CTs and PTs and associated metering equipment from Company at depreciated original cost.

8.12.3 The following provisions apply to the ownership of CTs and PTs.

8.12.3.1 For distribution voltages up to 25kV, the ESP or Company shall own the CTs and PTs. For transmission primary voltages (over 25kV), the CTs and PTs shall be owned by Company. ESP owned CTs and PTs must meet Company specifications. No CTs and PTs or associated metering equipment shall be set or allowed to remain in service if it is determined that the CTs and PTs or their associated equipment does not meet Company's approved specifications, as set forth in Company's Electric Service Requirements Manual in place at the time of installation.

8.12.4 All CT-rated meter installations shall utilize safety test switches, and all self-contained commercial metering shall utilize safety-test blocks as provided in Company's ESRM. During meter exchanges, the ESP or its agent's employees who are certificated to perform the related MSP activities may install, replace or operate Company test switches and operate Company-sealed customer-owned test blocks.

8.13 Installation Options

8.13.1 The ESP is responsible for Direct Access customer meter installation and associated cost. Company may optionally provide meter installation pursuant to the provisions of this Service Schedule.

8.13.2 ESPs or their agents must be certificated by the ACC in order to offer MSP services. The policies and procedures described in this Section 8.13 assume that the MSP and their meter installers have ACC certification. ESPs may elect to offer metering services by:

8.13.2.1 Becoming a certificated MSP.

8.13.2.2 Subcontracting with a third party that is a certificated MSP.

8.13.2.3 Subcontracting with Company under the circumstances described in Section 8.2.

8.14 As part of providing metering services, ESPs or their agents shall:

8.14.1 Obtain lock ring keys for meters originally installed by Company or request site meets with Company. Company will issue lock ring keys to certified MSPs upon receipt of a refundable deposit. The deposit will not be refunded if a key is either lost or stolen, and a fee will be applied to replace lost or damaged keys. For more information about the cost of lock rings, standard rings, or lock ring keys, please consult the Company MAC.



SERVICE SCHEDULE 10 TERMS AND CONDITIONS FOR DIRECT ACCESS

compatible EDI format to the MRSP server. If the MRSP is unsuccessful in its attempts to meet these requirements, all subsequent requests for meter exchanges will be postponed until the MRSP successfully demonstrates its operational ability.

8.16.4 Retention and Format for Meter Reading Data

8.16.4.1 All meter reading data for a Customer shall remain posted on the MRSP server for five (5) working days and will be recoverable for at least three (3) years.

8.16.4.2 Meter reading data posted to the MRSP server shall be stored in Company-compatible EDI format.

8.17 Company performing MSP and MRSP functions:

If Company is eligible to perform Direct Access related MSP and MRSP functions as defined in section 8.2, the following restriction applies:

The validated meter read will be posted in EDI format no later than 6 working days following the scheduled read date.

8.18 Non-Conforming Meters, Meter Errors and Meter Reading Errors

8.18.1 Whenever Company, the ESP or its agents becomes aware of any non-conforming meters, erroneous meter services and/or meter reading services that impact billing, it shall promptly notify the other parties and the affected Customer. Bills found to be in error due to non-conforming meters or errors in meter services or meter reading services will be corrected by the appropriate parties.

8.18.2 In cases of meter failure or non-compliance, the ESP or its agents shall have five (5) working days to correct the non-compliance. If the non-compliance is not remedied within five (5) working days, the following actions may apply:

8.18.2.1 A site meeting may be required when services are being performed. The non-compliant party may be charged an ACC-approved tariff for the meeting.

8.18.2.2 Company may repair the defect, and the other party shall be responsible for all related expenses.

8.18.2.3 Company shall adhere to the approved Performance Monitoring Standards and follow the steps outlined to address non-compliance by an MRSP.

8.18.3 Company may refuse to enter into a new ESP Service Acquisition Agreement, or cancel an existing ESP Service Acquisition Agreement pursuant to section 7.10.1.2, with any ESP or its agents that has a demonstrated pattern of uncorrected non-compliance as established above. This provision shall not apply if the alleged demonstrated pattern of non-compliance or correction thereof is disputed and is pending before any agency or entity with jurisdiction to resolve the dispute.



SERVICE SCHEDULE 15 CONDITIONS GOVERNING THE PROVISION OF SPECIALIZED METERING

Arizona Public Service Company (Company) will provide specialized metering upon customer request, provided the customer agrees to the following conditions:

1. The customer must contact their Company Account Representative to request and coordinate the purchase and installation of specialized metering such as KYZ pulse meters, IDR meters, or IDR meter with KYZ pulse and/or modem options (including associated interfaces).
2. If the customer requests a meter with a modem option, the customer will be required to install coil of communication cable within five feet of the meter panel location and in such a manner that will provide for ease of attachment to the meter panel by Company. The phone line must be installed prior to the installation of the meter and shall be located in such a manner as to not impede access to the metering equipment, the interior or exterior of the metering compartment or other utility access panels. The customer must provide Company with a phone number and any other communication access information to the meter(s) prior to Company installation of the meter(s).
3. If a customer requests kWh pulses, Company shall furnish and install a customer pulse interface and enclosure. Connections made by the customer to the customer pulse interface shall not impede access to metering equipment, the interior or exterior of the metering compartment or other utility access panels.
4. The customer will be required to make a non-refundable contribution in aid of construction to Company for the requested meter(s) installation. The non-refundable contribution amount will be determined at the time of the request as follows:
 - 4.1 If a meter currently exists on the customer site, the charge is based on Company's total equipment and installation costs for the requested specialized metering less the equipment cost of Company's existing meter.
 - 4.2 If a meter has not been installed on the customer site, the charge is based on Company's total equipment and installation costs for the requested specialized metering less 100% of the AUC cost of a Company standard meter.
 - 4.3 If a specialized meter is existing on a customer's site and the customer requests an upgrade to a different type of meter, the customer will be responsible for 100% of the cost (installation and equipment) associated with the requested meter.

Company will not place an order for a requested meter(s) until payment has been received from the customer. The typical lead time for procurement of meters is six (6) to eight (8) weeks. Once the requested meter(s) have been received, Company will schedule the installation of the meter(s) with the customer or a designated representative.

Company will retain ownership of all meters and Company installed metering equipment.

If a customer makes a nonrefundable contribution for the installation of a specialized meter and then terminates service or requests Company to remove and/or replace the specialized meter, the customer will not be eligible for a refund.

Company will provide general maintenance of the specialized meter; however, in the event the meter should become damaged, obsolete or inoperable, the customer will be responsible for 100% of the replacement cost (installation and equipment) associated with the specialized meter.



SERVICE SCHEDULE 15
CONDITIONS GOVERNING THE
PROVISION OF SPECIALIZED METERING

Company will not be responsible for the installation, maintenance, or usage fees associated with any phone lines or related communication equipment.

5. Under no circumstances shall the customer stop the operation or in any way affect or interfere with the operation of the customer pulse interface and the related output wiring. The integrity of Company's billing metering equipment within the sealed metering compartment shall be maintained.
6. Company reserves the right to interrupt the specialized metering circuit for emergencies or to perform routine or special tests or maintenance on its billing metering equipment, and in so doing assumes no responsibility for affecting the operation of the customer's demand control or other equipment. However, Company will make a good faith effort to notify the customer prior to any interruption of the specialized metering circuit.
7. The possible failure or malfunction of an KYZ pulse output or interface and subsequent loss of kWh contact closures to the customer's control equipment shall in no way be deemed to invalidate or in any way impair the accuracy and readings of Company's meters in establishing the kWh and demand record for billing purposes.
8. The accuracy of the customer's equipment is entirely the responsibility of the customer. Should the customer's equipment malfunction, Company will reasonably cooperate with the customer to the extent of assuring that no malfunction exists in Company's equipment. Work of this nature will be billed to the customer, unless the actual source of the malfunction is found within Company's equipment.
9. If Company provides pulse values in kWh, customer's equipment must be capable of readjustment or recalibration to adjust to new contact closure values and rates should it become necessary for Company to adjust the pulse values due to changes in Company's equipment.
10. No circuit for use by the customer shall be installed from Company's billing metering potential or current transformer secondaries.
11. Company reserves the right, without assuming any liability or responsibility, to disconnect and/or remove the pulse delivery equipment at any time upon 30 days written notice to the customer.
12. Upon request by Company, the customer shall make available to Company monthly load analysis information.
13. References to electric kWh pulses above shall mean dry KYZ contact closures only; the customer is required to furnish operating voltage service. KYZ contacts are rated for and shall not be wetted beyond a maximum of 100 milliampere and 120 volts DC or AC rms.
14. The customer assumes all responsibility for, and agrees to indemnify and save Company harmless against, all liability, damages, judgments, fines, penalties, claims, charges, costs and fees incurred by Company resulting from the furnishing of specialized metering.
15. A waiver at any time by either party, or any default of or breach by the other party or any matter arising in connection with this service, shall not be considered a waiver of any subsequent default or matter.
16. Prior written approval by an authorized Company representative is required before electric kWh pulses service may be implemented.



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES**

The following TERMS AND CONDITIONS and any changes authorized by law will apply to Standard Offer and Direct Access services made available by Arizona Public Service Company (Company), under the established rate or rates authorized by law and currently applicable at time of sale.

1. General

- 1.1 Services will be supplied in accordance with these Terms and Conditions and any changes required by law, and such applicable rate or rates as may from time to time be authorized by law. However, in the case of the customer whose service requirements are of unusual size or characteristics, additional or special contract arrangements may be required.
- 1.2 These Terms and Conditions shall be considered a part of all rate schedules, except where specifically changed by a written agreement.
- 1.3 In case of a conflict between any provision of a rate schedule and these Terms and Conditions, the provisions of the rate schedule shall apply.

2. Establishment of Service

- 2.1 Application for Service - Customers requesting service may be required to appear at Company's place of business to produce proof of identity and/or sign Company's standard form of application for service or a contract before service is supplied by Company.
 - 2.1.1 In the absence of a signed application or contract for service, the supplying of Standard Offer and/or Direct Access services by Company and acceptance thereof by the customer shall be deemed to constitute a service agreement by and between Company and the customer for delivery of, acceptance of, and payment for service, subject to Company's applicable rates and rules and regulations.
 - 2.1.2 Where service is requested by two or more individuals, Company shall have the right to collect the full amount owed Company from any one of the applicants.
- 2.2 Service Establishment and Customer Request for Special Service Charge - A service establishment charge of \$25.00 for residential and \$35.00 non-residential plus any applicable tax adjustment will be assessed each time Company is requested to establish, reconnect or re-establish electric service to the customer's delivery point, or to make a special read without a disconnect and calculate a bill for a partial month
 - 2.2.1 The customer will additionally be required to pay a trip charge of \$16.00 when an authorized Company representative travels to the customer's site and is unable to complete the customer's requested services due to lack of access to the point of delivery.
 - 2.2.2 The customer will additionally be required to pay an after-hours charge of \$75.00 if the customer requests service, as defined in A.A.C. R14-2-203.D.3, be established, reconnected, or re-established after 5:00 p.m. on a day other than the day of request.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: December 1951

A.C.C. No. 56905765
Canceling A.C.C. No. 56865690
Service Schedule 1
Revision No. 3334
Effective: October 8, 2007/January 1, 2010



SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES

2.2.3 The customer will additionally be required to pay a same day connect charge of \$75.00 if the customer requests service, as defined in A.A.C. R14-2-203.D.3, be established, reconnected, or re-established on the same business day the request is being made, and Company agrees to work the request on the same business day of the request. This will be charged regardless of the time the order may be worked by Company on that day. Company may, where no additional costs are incurred by Company, waive the same day fee.

2.2.4 The customer will additionally be required to pay \$75.00 per crew person per hour when customer requests services that do not meet the definition of service establishment as defined in A.A.C. R14-2-203.D.3 (such as metering equipment installations which include instrument transformers but excluding the cost of meters, maintenance or planned outages, etc.) that require the availability of Company employees after hours, on a weekend day, or on a Company holiday. The number of employees utilized by Company in fulfilling such requests shall be at the sole discretion of Company. Customers will be given notice of estimated charges prior to the work being performed.

Company holidays are New Year's Day, Martin Luther King, Jr. Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, The Day After Thanksgiving, and Christmas Day.

2.2.5 Company may waive the service establishment charge where:

2.2.5.1 No field trip is required because applicant accepts responsibility for energy billed and not yet paid and the change is effective with the last meter read and meter read date billed.

2.2.5.2 Applicant has an active Landlord Automatic Transfer of Service Agreement on file with Company. This service agreement is for property owners that have established credit with Company and provides for continuous service to the landlord between tenants.

2.2.5.3 Where multiple connects are performed during the same site visit, in the same applicant name, at the same address, for the same class of service, Company will assess the Service Establishment Charge once for every two delivery points.

2.3 Direct Access Service Request (DASR) - A Direct Access Service Request charge of \$10.00 plus any applicable tax adjustment will be assessed to the Electric Service Provider (ESP) submitting the DASR each time Company processes a Request (RQ) type DASR as specified in Company's Schedule 10, Terms and Conditions for Direct Access.

2.4 Grounds for Refusal of Service - Company may refuse to connect or reconnect Standard Offer or Direct Access service if any of the following conditions exist:

2.4.1 The applicant has an outstanding amount due with Company for the same class of service and is unwilling to make payment arrangements that are acceptable to Company.



SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES

- 2.4.2 A condition exists which in Company's judgment is unsafe or hazardous.
- 2.4.3 The applicant has failed to meet the security deposit requirements set forth by Company as specified under Section 2.5 or 2.6 hereof.
- 2.4.4 The applicant is known to be in violation of Company's tariff.
- 2.4.5 The applicant fails to furnish such funds, service, equipment, and/or rights-of-way or easements required to serve the applicant and which have been specified by Company as a condition for providing service.
- 2.4.6 The applicant falsifies his or her identity for the purpose of obtaining service.
- 2.4.7 Service is already being provided at the address for which the applicant is requesting service.
- 2.4.8 Service is requested by an applicant and a prior customer living with the applicant owes a delinquent bill from the same or a prior service address.
- 2.4.9 The applicant is acting as an agent for a prior customer who is deriving benefits of the service and who owes a delinquent bill from the same or a prior service address.
- 2.4.10 The applicant has failed to obtain all required permits and/or inspections indicating that the applicant's facilities comply with local construction and safety codes.

2.5 Residential Establishment of Credit or Security Deposit

- 2.5.1 Residential Establishment of Credit - Company shall not require a security deposit from a new applicant for service at a primary and/or secondary residence if the applicant is able to meet any of the following requirements:
 - 2.5.1.1 The applicant has had service of a comparable nature with Company within the past two (2) years and was not delinquent in payment more than twice during the last twelve (12) consecutive months or disconnected for nonpayment.
 - 2.5.1.2 Company receives an acceptable credit rating, as determined by Company, for the applicant from a credit rating agency utilized by Company.
 - 2.5.1.3 The applicant can produce a letter regarding credit or verification from an electric utility where service of a comparable nature was last received within six (6) months of the current date which states that the applicant had a timely payment history for the prior twelve (12) consecutive months at the time of service discontinuation.
 - 2.5.1.4 In lieu of a security deposit, Company receives deposit guarantee notification from a social or governmental agency acceptable to Company or a surety bond as security for Company in a sum equal to the required deposit.



SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES

2.5.1.5 Where three or more additional residential services are requested, Company may require customer to establish or reestablish a security deposit.

2.5.2 Residential Establishment of Credit or Security Deposit - When credit cannot be established as provided for in Section 2.5.1 hereof or when it is determined that the applicant left an unpaid final bill owing to another utility company, the applicant will be required to:

2.5.2.1 Place a cash deposit to secure payment of bills for service as prescribed herein, or

2.5.2.2 Provide a surety bond acceptable to Company in an amount equal to the required security deposit.

2.5.3 Non-residential Establishment of Security Deposit - All non-residential applicants will be required to place a cash deposit to secure payment of bills for service as prescribed herein, unless:

2.5.3.1 The applicant has had service of a comparable nature with Company within the past two (2) years and was not delinquent in payment more than twice during the last twelve (12) consecutive months or disconnected for nonpayment.

2.5.3.2 The applicant provides a non-cash security deposit in the form of a Surety Bond, Irrevocable Letter of Credit, or Assignment of Monies in an amount equal to the required security deposit.

2.6 Establishment or Reestablishment of Security Deposit

2.6.1 Residential - Company may require a residential customer to establish or re-establish a security deposit if the customer becomes delinquent in the payment of two (2) or more bills within a twelve (12) consecutive month period or has been disconnected for non-payment during the last twelve (12) months.

2.6.2 Non-residential - Company may require a non-residential customer to establish or re-establish a security deposit if the customer becomes delinquent in the payment of two (2) or more bills within a twelve (12) consecutive month period or if the customer has been disconnected for non-payment during the last twelve (12) months, or when the customer's financial condition may jeopardize the payment of their bill, as determined by Company based on the results of using a credit scoring worksheet. Company will inform all customers of the Arizona Corporation Commission's complaint process should the customer dispute the deposit based on the financial data.

2.7 Security Deposits - Once it is determined that a security deposit is required, the following will apply:

2.7.1 Security deposits may be required for each service location.



SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES

- 2.7.2 Company reserves the right to increase or decrease security deposit amounts applicable to the services being provided by Company in accordance with this section:
- 2.7.2.1 If the customer chooses to change from Standard Offer to Direct Access services, the deposit may be decreased by an amount which reflects that portion of the customer's service being provided by a Load Serving ESP. However if the Load Serving ESP is providing ESP Consolidated Billing pursuant to Company's Schedule 10 Section 7, the entire deposit will be credited to the customer's account; or,
 - 2.7.2.2 If the customer chooses to change from Direct Access to Standard Offer service, the requested deposit amount may be increased by an amount pursuant to Section 2.5, which reflects that Company is providing bundled electric service.
 - 2.7.2.3 If the customer's average consumption increases: by more than ten (10) percent for residential accounts or five (5) percent for nonresidential accounts within a twelve (12) consecutive month period and credit has not been established, an additional security deposit may, at Company's option, be required.
- 2.7.3 Customer security deposits shall not preclude Company from terminating an agreement for service or suspending service for any failure in the performance of customer obligation under the agreement for service.
- 2.7.4 Cash deposits held by Company six (6) months/183 days or longer shall earn interest from the date the deposit was collected at the established one year Treasury Constant Maturities rate, effective on the first business day of each year, as published on the Federal Reserve Website. Deposits on inactive accounts are applied to the final bill when all service options become inactive, and the balance, if any, is refunded to the customer of record within thirty (30) days. For refunds resulting from the customer changing from Standard Offer to Direct Access, the difference in the deposit amounts will be applied to the customer's account.
- 2.7.5 If the customer terminates all service with Company, the security deposit may be credited to the customer's final bill.
- 2.7.6 Residential security deposits shall not exceed the higher amount of either one (1) time the customer's maximum monthly bill or two (2) times the customer's average monthly bill as estimated by Company for the services being provided by Company.
- 2.7.6.1 Deposits or other instruments of credit will automatically expire or be returned or credited or returned to the customers account after twelve (12) consecutive months of service, provided the customer has not been delinquent more than twice, unless customer has filed bankruptcy in the last 12 months.



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES**

2.7.7 Nonresidential security deposits shall not exceed two and one-half (2-1/2) times the customer's maximum monthly billing as estimated by Company for the service being provided by Company.

2.7.7.1 Deposits and non-cash deposits on file with Company will be reviewed after twenty-four (24) months of service and will be returned provided the customer has not been delinquent more than twice in the payment of bills or disconnected for non-payment during the previous twelve (12) consecutive months unless the customer's financial condition warrants extension of the security deposit.

2.8 Line Extensions - Installations requiring Company to extend its facilities in order to establish service will be made in accordance with Company's Schedule #3, Conditions Governing Extensions of Electric Distribution Lines and Services filed with the Arizona Corporation Commission.

3. Rates

3.1 Rate Information - Company shall provide, in accordance with A.A.C. R14-2-204, a copy of any rate schedule applicable to that customer for the requested type of service. In addition, Company shall notify its customers of any changes in Company tariffs affecting those customers.

3.2 Rate Selection - The customer's service characteristics and service requirements determine the selection of applicable rate schedule. If the customer is receiving bundled service, Company will use reasonable care in initially establishing service to the customer under the most advantageous rate schedule applicable to the customer. However, because of varying customer usage patterns and other reasons beyond its reasonable knowledge or control, Company cannot guarantee that the most economic applicable rate will be applied. Company will not make any refunds in any instances where it is determined that the customer would have paid less for service had the customer been billed on an alternate applicable rate or provision of that rate.

3.3 Optional Rates - Certain optional rate schedules applicable to certain classes of service allow the customer the option to select the rate schedule to be effective initially or after service has been established. Billing under the alternate rate will become effective from the next regularly scheduled meter reading, after the appropriate metering equipment is installed. No further rate schedule changes, however, may be made within the succeeding twelve-month period. Where the rate schedule or contract pursuant to which the customer is provided service specifies a term, the customer may not exercise its option to select an alternate rate schedule until expiration of that term.

3.4 Direct Access service will be effective upon the next meter read date if DASR is processed fifteen (15) calendar days prior to that read date and the appropriate metering equipment is in place. If a DASR is made less than fifteen (15) days prior to the next regular read date the effective date will be at the next meter read date thereafter. The above timeframes are applicable for customers changing their selection of Electric Service Providers or for customers returning to Standard Offer service.



SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES

- 3.5 Any customer that selects Direct Access service may return to Standard Offer service in accordance with the rules, regulations, and orders of the Commission. However, such customer will not be eligible for Direct Access service for the succeeding twelve (12) month period. If a customer returning to Standard Offer, in accordance with the rules, regulations and orders of the Commission, was not given the required notification in accordance with the rules and regulations of the Commission by their Load Serving ESP of its intent to cease providing competitive services then the above provision will only apply if the customer fails to select another ESP within sixty (60) days of returning to Standard Offer service.

4. Billing and Collection

- 4.1 Customer Service Installation and Billing - Service billing periods normally consist of approximately 30 days unless designated otherwise under rate schedules, through contractual agreement, or at Company option.
- 4.1.1 Company normally meters and bills each site separately; however, at customer's request, adjacent and contiguous sites not separated by private or public property or right of way and operated as one integral unit under the same name and as a part of the same business, will be considered a single site as specified in Company's Schedule 4, Totalized Metering of Multiple Service Entrance Sections at a Single Site for Standard Offer and Direct Access Service.
- 4.1.2 The customer's service installation will normally be arranged to accept only one type of service at one point of delivery to enable service measurement through one meter. If the customer requires more than one type of service, or total service cannot be measured through one meter according to Company's regular practice, separate meters will be used and separate billing rendered for the service measured by each meter.
- 4.2 Collection Policy - The following collection policy shall apply to all customer accounts:
- 4.2.1 All bills rendered by Company are due and payable no later than fifteen (15) calendar days from the billing date. Any payment not received within this time frame will be considered delinquent. All delinquent bills for which payment has not been received shall be subject to the provisions of Company's termination procedure. Company reserves the right to suspend or terminate the customer's service for non-payment of any Arizona Corporation Commission approved charges. All delinquent charges will be subject to a late charge at the rate of eighteen percent (18%) per annum.
- 4.2.2 If the customer, as defined in A.A.C. R 14-2-201.9, has two or more services with Company and one or more of such services is terminated for any reason leaving an outstanding bill and the customer is unwilling to make payment arrangements that are acceptable to Company, Company shall be entitled to transfer the balance due on the terminated service to any other active account of the customer for the same class of service. The failure of the customer to pay the active account shall result in the suspension or termination of service thereunder.



SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES

- 4.2.3 Unpaid charges incurred prior to the customer selecting Direct Access will not delay the customer's request for Direct Access. These charges remain the responsibility of the customer to pay. Normal collection activity, including discontinuing service, may be followed for failure to pay.

4.3 Responsibility for Payment of Bills

- 4.3.1 The customer is responsible for the payment of bills until service is ordered discontinued and Company has had reasonable time to secure a final meter reading for those services involving energy usage, or if non-metered services are involved until Company has had reasonable time to process the disconnect request.
- 4.3.2 When an error is found to exist in the billing rendered to the customer, Company ~~will~~may correct such an error to recover or refund the difference between the original billing and the correct billing. Such adjusted billings will not be rendered for periods in excess of the applicable statute of limitations from the date the error is discovered. Schedule 8 (Bill Estimation) shall be applied when Company cannot obtain a complete and valid meter read. Situations that result in an estimated meter read include inclement weather, lack of access to a customer's meter, energy diversion, labor unavailability and equipment malfunction.
- 4.3.2.1 Refunds ~~or credits~~ to customers resulting from overbillings will be made promptly upon discovery by Company.
- 4.3.2.2 Corrected charges for underbillings shall be billed to the customer who shall be given an equal length of time such as number of months underbilled to pay the backbill without late payment penalties, unless there is evidence of meter tampering or energy diversion.
- 4.3.2.3 Except as specified below, corrected charges for underbillings shall be limited to three (3) month for residential accounts and six (6) months for non-residential accounts.
- 4.3.2.3.1 Where the account is billed on a special contract or non-metered rate, corrected charges for underbillings shall be billed in accordance with the contract or rate schedule requirements and is not limited to three or six months as applicable.
- 4.3.2.3.2 Where service has been established but no bills have been rendered, corrected charges for underbillings shall go back to the date service was established.
- 4.3.2.3.3 Where there is evidence of meter tampering or energy diversions, corrected charges for underbillings shall go back to the date meter tampering or energy diversions began, as determined by Company.



SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES

4.3.2.3.4 Where lack of access to the meter (caused by the customer) has resulted in estimated bills, corrected charges for underbillings shall go back to the billing month of the last Company obtained meter read date.

4.3.2.4 Company may forgo billing and collection of corrected charges for an underbilling if Company believes the cost of billing and collecting the underbilling would not justify pursuing the underbill.

4.3.3 Where Company is responsible for rendering the customer's bill, Company will provide a monthly incentive of \$0.48 per customer to customers who elect to pay their bills using the Company's electronically transmitted payment options AutoPay, SurePay or similar programs.

4.4 Dishonored Payments - If Company is notified by the customer's financial institution that they will not honor a payment tendered by the customer for payment of any bill, Company may require the customer to make payment in cash, by money order, certified or cashier's check, or other means which guarantee the customer's payment to Company.

4.4.1 The customer will be charged a fee of \$15.00 for each instance where the customer tenders payment of a bill with a payment that is not honored by the customer's financial institution.

4.4.2 The tender of a dishonored payment shall in no way (i) relieve the customer of the obligation to render payment to Company under the original terms of the bill, or (ii) defer Company's right to terminate service for nonpayment of bills.

4.4.3 Where the customer has tendered two (2) or more dishonored payments in the past twelve (12) consecutive months, Company may require the customer to make payment in cash, money order or cashier's check for the next twelve (12) consecutive months.

4.5 Termination Process Charges

4.5.1 Company will require payment of a Field Call Charge of \$15.00 when an authorized Company representative travels to the customer's site to accept payment on a delinquent account, notify of service termination, make payment arrangements or terminate the service. This charge will only be applied for field calls resulting from the termination process.

4.5.2 If a termination is required at the pole, a reconnection charge of \$96.50 will be required; if the termination is in underground equipment, the reconnection charge will be \$115.00.

4.5.3 To avoid termination of service, the customer will make payment in full, including any necessary deposit in accordance with Section 2.5 hereof or make payment arrangements satisfactory to Company.



SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES

~~4.6 On site Evaluation~~ Company will require payment of an On site Evaluation Charge of \$82.00 when an authorized Company field investigator performs an on site visit to evaluate how the customer may reduce their energy usage. This charge may be assessed regardless of whether the customer actually implements Company suggestions.

5. Service Responsibilities of Company and Customer

5.1 Service Voltage—Company will deliver electric service to the designated point of delivery, as specified in Section 6.3 of this Schedule, at the standard voltages specified in the Electric Service Requirements Manual published by Company and as specified in A.A.C. R14-2-208.F. Company may deliver service for special applications at higher voltages, with prior approval from Company's Engineering Department and in accordance with Company's Schedule 3, Conditions Governing Extensions of Electric Distribution Lines and Services filed with the Arizona Corporation Commission.

5.2 Responsibility: Use of Service or Apparatus

5.2.1 The customer shall save Company harmless from and against all claims for injury or damage to persons or property occasioned by or in any way resulting from the services being provided by Company or the use thereof on the customer's side of the point of delivery. Company shall have the right to suspend or terminate service in the event Company should learn of service use by the customer under hazardous conditions.

5.2.2 The customer shall exercise all reasonable care to prevent loss or damage to Company property installed on the customer's site for the purpose of supplying service to the customer.

5.2.3 The customer shall be responsible for payment for loss or damage to Company property on the customer's site arising from neglect, carelessness or misuse and shall reimburse Company for the cost of necessary repairs or replacements.

5.2.4 The customer shall be responsible for payment for any equipment damage and/or estimated unmetered usage resulting from unauthorized breaking of seals, interfering with, tampering with, or by-passing the meter.

5.2.5 The customer shall be responsible for notifying Company of any failure in Company's equipment.

5.3 Service Interruptions: Limitations on Liability of Company

5.3.1 Company shall not be liable to the customer for any damages occasioned by Load Serving ESP's equipment or failure to perform, fluctuations, interruptions or curtailment of electric service, except where due to Company's willful misconduct or gross negligence. Company may, without incurring any liability therefore, suspend the customer's electric service for periods reasonably required to permit Company to accomplish repairs to or



SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES

changes in any of Company's facilities. The customer needs to protect their own sensitive equipment from harm caused by variations or interruptions in power supply.

- 5.3.2 In the event of a national emergency or local disaster resulting in disruption of normal service, Company may, in the public interest and on behalf of Electric Service Providers or Company, interrupt service to other customers to provide necessary service to civil defense or other emergency service agencies on a temporary basis until normal service to these agencies can be restored.

5.4 Company Access to Customer Sites -

- 5.4.1 Company's authorized agents shall have satisfactory unassisted twenty-four (24) hour a day, seven (7) days a week access to Company's equipment located on customer's sites for the purpose of repair, maintenance, and service restoration work that Company may need to perform.

- 5.4.2 Company's authorized agents shall have satisfactory unassisted access to the customer's sites at all reasonable hours to install, inspect, read, repair or remove its meters or to install, operate or maintain other Company property, to verify that customer is in compliance with its obligations, or to inspect and determine the connected electrical load. If, after six (6) months (not necessarily consecutive) of good faith efforts by Company to deal with the customer, Company in its opinion does not have satisfactory unassisted access to the meter, then Company shall have sufficient cause for termination of service or denial of any rate options where, in Company's opinion, access is required. The remedy for unassisted access will be at Company discretion and may include the installation by Company of a specialized meter. If such specialized meter as a one-time charge is installed, the customer will be billed the difference between the otherwise applicable meter for their rate and the specialized meter plus the cost incurred to install the specialized meter as a one-time charge and any reoccurring incremental costs. If service is terminated as a result of failure to provide unassisted access, Company verification of unassisted access may be required before service is restored. Written termination notice is required prior to disconnecting service under this schedule section.

5.5 Easements

- 5.5.1 All suitable easements or rights-of-way required by Company for any portion of an extension to serve a customer, which is either on sites owned, leased or otherwise controlled by the customer or developer, or other property required for the extension, shall be furnished in Company's name by the customer without cost to or condemnation by Company and in reasonable time to meet proposed service requirements. All easements or rights-of-way granted to, or obtained on behalf of Company shall contain such terms and conditions as are acceptable to Company.
- 5.5.2 When Company discovers that the customer or the customer's agent is performing work, has constructed facilities, or has allowed vegetation to grow, adjacent to or within an easement or right-of-way or Company-owned equipment, and such work, construction, vegetation or facility poses a hazard or is in violation of federal, state, or local laws, ordinances, statutes, rules or regulations, or significantly interferes with Company's safe use, operation or maintenance of, or access to, equipment or facilities, Company shall



SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES

notify the customer or the customer's agent and shall take whatever actions are necessary to eliminate the hazard, obstruction, interference or violation at the customer's expense. Company will notify the customer in writing of the violations.

- 5.6 Load Characteristics - The customer shall exercise reasonable care to ensure that the electrical characteristics of its load, such as deviation from sine wave form (a minimum standard is IEEE 519) or unusual short interval fluctuations in demand, shall not impair service to other customers or interfere with operation of telephone, television, or other communication facilities. Customer shall meet power factor requirements as specified on applicable rate schedules.

6. Metering and Metering Equipment

- 6.1 Customer Equipment - The customer shall install and maintain all wiring and equipment beyond the point of delivery except for Company's meters and special equipment. The customer's entire installation must conform to all applicable construction standards and safety codes and the customer must furnish an inspection or permit if required by law or by Company. In circumstances where a clearance is not required by law, Company may require customer to execute a Letter In-Lieu of Electrical Clearance.

- 6.1.1 The customer shall provide, in accordance with Company's current service standards and/or Electric Service Requirements Manual, at no expense to Company, and close to the point of delivery, a sufficient and suitable space acceptable to Company's agent for the installation, accessibility and maintenance of Company's metering equipment. A current version of the Electric Service Requirements Manual is available on-line at <http://esp.apsc.com/resource/metering.asp>.

- 6.1.2 Where a customer requests, and Company approves of, a special meter reading device or communications services or devices to accommodate the customer's needs, the cost for such additional equipment and usage fees shall be the responsibility of the customer.

6.2 Company Equipment

- 6.2.1 A Meter Service Provider (MSP) or its authorized agents may remove Company's metering equipment pursuant to Company's Schedule 10. Meters not returned to Company or returned damaged will result in charge to the MSP of the replacement costs, plus an administration fee of fifteen percent (15%), less five (5) years depreciation.
- 6.2.2 Company will lease lock ring keys to MSP's and/or their agents authorized to remove Company meters pursuant to the terms and conditions of Company's Schedule 10 at a refundable charge of \$70.00 per key. The charge will not be refunded if a key is lost, stolen, or damaged. If Company must replace ten percent (10%) of the issued keys within any twelve (12) month period due to loss by the MSP's agent, Company may, rather than leasing additional lock ring keys, require the MSP to arrange for a joint meeting. All lock ring keys must be returned to Company within five (5) working days if the MSP and/or its authorized agents are:



SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES

- 1) No longer permitted to remove Company meters pursuant to conditions of Company's Schedule 10;
- 2) No longer authorized by the Arizona Corporation Commission to provide services; or
- 3) The ESP Agreement has been terminated.

6.2.3 If the MSP, the customer, and/or its agent request a joint site meeting for removal of Company metering and associated equipment and/or lock ring, a base charge will be assessed of \$62.00 per site. Company may assess an additional charge of \$53.00 per hour for joint site meetings that exceed thirty (30) minutes. If Company must temporarily replace the MSP's meter and/or associated metering equipment during emergency situations or to restore power to a customer, the above charges may apply.

6.3 Service Connections - Company is not required to install and maintain any lines and equipment on the customer's side of the point of delivery except its meter.

6.3.1 For overhead service, the point of delivery shall be where Company's service conductors terminate at the customer's weatherhead or bus rider.

6.3.2 For underground service, the point of delivery shall be where Company's service conductors terminate in the customer's or development's service equipment. The customer shall furnish, install and maintain any risers, raceways and/or termination cabinet necessary for the installation of Company's underground service conductors.

6.3.3 For special applications where service is provided at voltages higher than the standard voltages specified in the Electric Service Requirements Manual, Company and customer shall mutually agree upon the designated point of delivery.

6.3.4 For the mutual protection of the customer and Company, only authorized employees or agents of Company or the Load Serving ESP are permitted to make and energize the connection between Company's service wires and the customer's service entrance conductors. Such employees carry Company issued identification which they will show on request.

6.4 Measuring Customer Service - All the energy sold to the customer will be measured by commercially acceptable measuring devices by Company (or the Meter Reading Service Provider (MRSP) pursuant to the terms and conditions of Company's Schedule 10). Where energy and, if applicable, demand is estimated by Company, estimation will be in accordance with Company's bill estimation procedures approved by the Arizona Corporation Commission. Where it is impractical to meter loads, such as street lighting, security lighting, or special installations, consumption will be determined by Company.

6.4.1 For Standard Offer customers, or where Company is the MRSP, the readings of the meter will be conclusive as to the amount of electric power supplied to the customer unless there is evidence of meter tampering or energy diversion, or unless a test reveals the meter is in error by more than plus or minus three percent (3%).



SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES

- 6.4.2 If there is evidence of meter tampering or energy diversion, the customer, person or entity demonstrated to have tampered with the meter and/or benefited from the tampering or diversion will be billed for the estimated energy and, if applicable, demand, for the period in which the energy diversion took place. Additionally, where there is evidence of meter tampering, energy diversion, or by-passing the meter, the customer, person or entity demonstrated to have tampered with the meter and/or diverted energy will also be charged the cost of the investigation as determined by Company.
- 6.4.3 If after testing, a meter is found to be more than three percent (3%) in error, either fast or slow, proper correction shall be made of previous readings and adjusted bills shall be rendered or adjusted billing information will be provided to the MRSP.
- 6.4.3.1 Customer will be billed, in accordance with Section 4.3.2, for the estimated energy and demand that would have registered had the meter been operating properly.
- 6.4.4 Where Company is the MRSP, Company will, at the request of the customer or the ESP, reread the customer's meter within ten (10) working days after such request by the customer. The cost of such rereads is \$16.50 and may be charged to the customer or the ESP, provided that the original reading was not in error.
- 6.4.5 Where the ESP is the MSP or MRSP, and the ESP and/or its' agent fails to provide the meter data to Company pursuant to Company's Schedule 10 Section 8.16, Meter Reading Data Obligations, Company may, at its option, obtain the data, or may estimate the billing determinants. The charge for such reread is \$16.50 and may be charged to the ESP.
- 6.5 Meter Testing - Company tests its meters regularly in accordance with a meter testing and maintenance program as approved by the Arizona Corporation Commission. Company will, however, individually test a Company owned/maintained meter upon customer or ESP request. If the meter is found to be within the plus or minus three percent (3%) limit, Company may charge the customer or the ESP \$30.00 for the meter test if the meter is removed from the site and tested in the meter shop, and \$50.00 if the meter remains on site and is tested in the field.
- 6.6 Master Metering
- 6.6.1 Mobile Home Parks - Company shall refuse service to all new construction and/or expansion of existing permanent residential mobile home parks unless the construction and/or expansion is individually metered by Company.
- 6.6.2 Residential Apartment Complexes - Company shall refuse service to all new construction of apartment complexes and condominiums which are master metered. This section is not applicable to Senior Care/Nursing Centers registered with the State of Arizona with independent living units which provide packaged services such as housing, food, and nursing care.
- 6.6.3 Multi-Unit Residential High Rise Developments (developments consisting of apartments, condominiums or townhouse developments built with four or more floors, usually using elevators for accessing floors) - Company will allow master metering for residential units



SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES

where the residential units are privately owned, provided the building will be served by a centralized heating, ventilation and/or air conditioning system, and each residential unit shall be individually sub-metered and responsible for energy consumption of that unit.

6.6.3.1 Sub-metering shall be provided and maintained by the builder or homeowners association.

6.6.3.2 Responsibility and methodology for determining each unit's energy billing shall be clearly specified in the original bylaws of the homeowners association, a copy of which must be provided to Company prior to Company providing the initial extension.

7. Termination of Service

7.1 With Notice - Company may without liability for injury or damage, and without making a personal visit to the site, disconnect service to any customer for any of the reasons stated below, provided Company has met the notice requirements established by the Arizona Corporation Commission:

- 7.1.1 A customer violation of any of the applicable rules of the Arizona Corporation Commission or Company tariffs.
- 7.1.2 Failure of the customer to pay a delinquent bill for services provided by Company.
- 7.1.3 The customer's breach of a written contract for service.
- 7.1.4 Failure of the customer to comply with Company's deposit requirements.
- 7.1.5 Failure of the customer to provide Company with satisfactory and unassisted access to Company's equipment.
- 7.1.6 When necessary to comply with an order of any governmental agency having jurisdiction.
- 7.1.7 Failure of a prior customer to pay a delinquent bill for utility services where the prior customer continues to reside on the premises.
- 7.1.8 Failure to provide or retain rights-of-way or easements necessary to serve the customer.
- 7.1.9 Company learns of the existence of any condition in Section 2.4, Grounds For Refusal of Service.

7.2 Without Notice - Company may without liability for injury or damage disconnect service to any customer without advance notice under any of the following conditions:

- 7.2.1 Company observes, or has evidence of, The existence of an obvious hazard to the health or safety of persons or property.
- 7.2.2 Company has evidence of meter tampering or fraud.



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS SERVICES**

7.2.3 Company has evidence of unauthorized resale or use of electric service.

7.2.4 Failure of the customer to comply with the curtailment procedures imposed by Company during a supply shortage.

7.2.5 Customer made payments to avoid/stop non-payment disconnection with a dishonored payment. Prior to reconnection of service, repayment of those funds and all other delinquent amounts will be required in cash, money order, or certified funds.

7.2.6 Customer paid to reconnect service with a dishonored payment. Prior to reconnection of service, payment of those funds and all other delinquent amounts will be required in cash, money order or certified funds.

7.3 Restoration of Service - Company shall not be required to restore service until the conditions which resulted in the termination have been corrected to the satisfaction of Company.

8. Removal of Facilities - Upon termination of service, Company may without liability for injury or damage, dismantle and remove its facilities installed for the purpose of supplying service to the customer, and Company shall be under no further obligation to serve the customer. ~~If, however, Company has not removed its facilities within one (1) year after the termination of service, Company shall thereafter give the customer thirty (30) days written notice before removing its facilities, or else waive any reestablishment charge within the next year for the same service to the same customer at the same location.~~

~~For purposes of this Section notice to the customer shall be deemed given at the time such notice is deposited in the U.S. Postal Service, first class mail, postage prepaid, to the customer at his/her last known address.~~

9. Successors and Assigns - Agreements for Service shall be binding upon and for the benefit of the successors and assigns of the customer and Company, but no assignments by the customer shall be effective until the customer's assignee agrees in writing to be bound and until such assignment is accepted in writing by Company.

10. Warranty - THERE ARE NO UNDERSTANDINGS, AGREEMENTS, REPRESENTATIONS, OR WARRANTIES, EXPRESS OR IMPLIED (INCLUDING WARRANTIES REGARDING MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE), NOT SPECIFIED HEREIN OR IN THE APPLICABLE RULES OF THE ARIZONA CORPORATION COMMISSION CONCERNING THE SALE AND DELIVERY OF SERVICES BY COMPANY TO THE CUSTOMER. THESE TERMS AND CONDITIONS AND THE APPLICABLE RULES OF THE ARIZONA CORPORATION COMMISSION STATE THE ENTIRE OBLIGATION OF COMPANY IN CONNECTION WITH SUCH SALES AND DELIVERIES.



SERVICE SCHEDULE 3 CONDITIONS GOVERNING EXTENSIONS OF ELECTRIC DISTRIBUTION LINES AND SERVICES

Provision of electric service from Arizona Public Service Company (Company) may require construction of new facilities or the relocation and upgrade to existing facilities. Costs for construction depend on the customer's location, scope of project, load size, and load characteristics and include but not limited to project management, coordination, engineering, design, surveys, permits, construction inspection, and support services. This schedule establishes the terms and conditions under which Company will extend, relocate, or upgrade its facilities in order to provide service.

All facility installations shall be made in accordance with good utility construction practices, as determined by Company, and are subject to the availability of adequate capacity, voltage and Company facilities at the beginning point of an extension as determined by Company. ~~All proceeds received for new facility installations, relocations, or upgrades to existing facilities required to provide service under provisions of this schedule shall be booked as Other Electric Revenue.~~

The following provisions govern the installation of overhead and underground electric facilities to customers or developers whose requirements are deemed by Company to be usual and reasonable in nature.

DEFINITIONS

- a. Conduit Only Design means the conduit layout design for the installation of underground Extension Facilities that will be required to serve a project. Extension Facilities are to be installed at a later date when service is requested.
- b. Corporate Business & Industrial Development means a tract of land which has been divided into contiguous lots in which a developer offers improved lots for sale and the purchaser of the lot is responsible for construction of buildings for commercial and/or industrial use.
- c. Extension Facilities means the electrical facilities, inclusive of conductors, cables, transformers and meters, installed solely to serve an individual customer, developer, or groups of customers. For example, the Extension Facilities to serve a Residential Subdivision would consist of the line extension required to tie the subdivision to APS existing system as well as the Electrical Facilities constructed within the subdivision which would include primary and service lines, transformers, and meters.
- d. High Rise Development means buildings built with four or more floors, usually using elevators for accessing floors that may consist of either residential or non-residential use or both, such as a high-rise building where the first level is for commercial purposes and the upper floors are residential.
- e. Irrigation means water pumping service. Agricultural pumping means water pumping for farms and farm-related pumping used to grow commercial crops or crop-related activity. Non-agricultural water pumping is pumping for purposes other than the growing of commercial crops, such as golf course irrigation or municipal water wells.
- f. Master Planned Community Development means a development that consists of a number of separately subdivided parcels for different "Residential Subdivisions". Developments may also incorporate a variety of uses including multi-family, non-residential, and public use facilities.
- g. Residential Custom Home "Lot Sale" Development means a tract of land that has been divided into four or more contiguous lots in which a developer offers improved lots for sale and the purchaser of the lot is responsible for construction of a residential home.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 31, 1954

A.C.C. No. 57665695
Canceling A.C.C. No. 56835695
Service Schedule 3
Revision No. 4011
Effective: February 27, 2008/January 1, 2010



SERVICE SCHEDULE 3 CONDITIONS GOVERNING EXTENSIONS OF ELECTRIC DISTRIBUTION LINES AND SERVICES

- h. Residential Subdivision means a tract of land which has been divided into four or more contiguous lots with an average size of one acre or less in which the developer is responsible for the construction of residential homes or permanent mobile home sites.
- i. Residential Multi-family Development means a development consisting of apartments, condominiums, or townhouses.
- j. Residential Single Family means a house, or a mobile home permanently affixed to a lot or site.
- k. Statement of Charges means the list of charges that is used to determine the applicant's cost responsibility for the Extension Facilities. The Statement of Charges is attached to this Service Schedule as Attachment 1. An applicant requesting an extension will be provided a sketch showing the Extension Facilities and an itemized cost quote based on the Statement of Charges or other applicable details. The Statement of Charges is not applicable to Extension Facilities requiring the relocation, modification, or upgrade of existing facilities or for non-residential customers with estimated loads over 3 megawatts, or that require 3,000 kVA of transformer capacity or greater, or special requests involving primary metering, or specialized or additional equipment for enhanced reliability. When the Statement of Charges is not applicable, charges for Extension Facilities shall be determined by the Company based on project-specific cost estimates.

1.0 RESIDENTIAL

1.1 SINGLE FAMILY HOMES

- 1.1.1 Extension Facilities will be installed to new permanent residential customers or groups of new permanent residential customers. For purposes of this section, a "group" shall be defined as less than four homes. The cost of extending service to applicant will be determined in accordance with the Statement of Charges and shall be paid by the applicant prior to the Company installing facilities. Payment is due at the time the extension agreement is executed by the applicant.
- 1.1.2 In instances where an applicant requests service directly from a customer-funded extension constructed in accordance with Section 1.1.1 hereof, the initial applicant may be eligible for refund on a pro-rata basis for a portion of the initial extension cost related to the shared Extension Facilities ~~as determined by the Company.~~ If the initial applicant no longer owns the property, the refund will be provided to the current property owner.
- 1.1.3 The first and second applicants connecting to an extension completed under the provisions of this Section will be required to pay a pro-rata share of the cost of the initial extension plus the costs attributable to the applicant's own extension.
- 1.1.4 In no event shall the total of refund payments made to the initial customer be in excess of the total amount originally paid by the initial customer.
- 1.1.5 The refund eligibility period shall be five years from the execution date of APS' line extension agreement to the initial applicant.

1.2 RESIDENTIAL SUBDIVISION DEVELOPMENTS

Extension Facilities will be installed to residential subdivision developments of four or more homes in advance of application for service by permanent customers provided the applicant signs an extension agreement. The subdivision development plat shall be approved and recorded in the county having jurisdiction. The cost of extending service to applicant will be determined in accordance with the Statement of Charges and shall be paid by the applicant



SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES

prior to the Company installing facilities. Payment is due at the time the extension agreement is executed by the applicant.

1.3 RESIDENTIAL CUSTOM HOME "LOT SALE" DEVELOPMENTS

1.3.1 Extension Facilities will be installed for residential "lot sale" custom home developments in advance of application for service by permanent customers, provided the applicant sign an extension agreement. The charges for Extension Facilities will be determined in accordance with the Statement of Charges and shall be paid by the applicant prior to the Company installing facilities. Payment is due at the time the extension agreement is executed by the applicant.

1.3.2 Extension Facilities will be installed for each permanent customer upon request for service in accordance with Section 1.1 of this service schedule.

1.3.3 Company will provide a "Conduit Only Design" provided applicant makes a payment in the amount equal to the estimated cost of the preparation of the design, in addition to the costs for any materials, field survey and inspections that may be required.

1.4 MASTER PLANNED COMMUNITY DEVELOPMENTS

1.4.1 Extension Facilities will be installed to Master Planned Community Developments in advance of application for service by permanent customers, provided the applicant signs an extension agreement. The charges for Extension Facilities will be determined in accordance with the Statement of Charges and shall be paid by the applicant prior to the Company installing facilities. Payment is due at the time the extension agreement is executed by the applicant.

1.4.2 Extension Facilities will be installed to each subdivided tract within the planned development in advance of application for service by permanent customers in accordance with the applicable sections of this Service Schedule.

1.5 RESIDENTIAL MULTI-FAMILY DEVELOPMENTS

Extension Facilities will be installed to multi-family apartment, condominium or townhouse developments in advance of application for service by permanent customers provided the applicant signs an extension agreement. The charges for Extension Facilities will be determined in accordance with the Statement of Charges and shall be paid by the applicant prior to the Company installing facilities. Payment is due at the time the extension agreement is executed by the applicant.

1.6 HIGH RISE DEVELOPMENTS

1.6.1 APS will provide service to this type of development at one point of delivery and it is the applicant's responsibility to provide and maintain the electrical facilities within the building.

1.6.2 Extensions will be made to High Rise Developments where the residential units are privately owned and either individually metered or master metered in accordance with Section 5.11.



SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES

- 1.6.3 Prior to the ordering of specialized materials or equipment required to provide service applicant will be required to pay the estimated cost of the material or equipment.
- 1.6.4 Extension Facilities will be installed to High Rise Developments in advance of application for service by permanent customers provided the applicant signs an extension agreement. The charges for Extension Facilities will be determined based on project-specific requirements and shall be paid by the applicant prior to the Company installing facilities. Payment is due at the time the extension agreement is executed by the applicant.

2.0 NON-RESIDENTIAL

- 2.0.1 Extension Facilities will be installed for applicants not meeting the definition of Residential or as provided for in Section 2.1, or Section 3.0 of this Schedule. For applicants with estimated loads of less than 3 megawatts or less than 3,000 kVA of transformer capacity, the charges for Extension Facilities will be determined in accordance with the Statement of Charges and shall be paid by the applicant prior to the Company installing facilities. Payment is due at the time the extension agreement is executed by the applicant.
- 2.0.2 The charges for Extension Facilities installed for applicants with projected loads of 3 megawatts or greater, or requiring transformer capacity of 3,000 kVA or greater or applicants requiring primary metering or specialized or additional equipment for enhanced reliability will be in accordance with a cost estimate determined by the Company based on project-specific requirements. Payment is due at the time the extension agreement is executed by the applicant.
- 2.0.3 Prior to the ordering of specialized materials or equipment required to provide service applicant will be required to pay the estimated cost of the material or equipment.
- 2.0.4 In instances where an applicant requests service directly from a customer-funded extension constructed in accordance with this Section 2.0, the initial applicant may be eligible for refund on a pro-rata basis for a portion of the initial extension cost related to the shared Extension Facilities. If the initial applicant no longer owns the property, the refund will be provided to the current property owner.
- 2.0.5 The first and second applicants connecting to an extension completed under the provisions of this Section will be required to pay a pro-rata share of the cost of the initial extension plus the costs attributable to the applicant's own extension.
- 2.0.6 In no event shall the total of refund payments made to the initial customer be in excess of the total amount originally paid by the initial customer.
- 2.0.7 The refund eligibility period shall be five years from the execution date of APS' line extension agreement to the initial applicant.

2.1 CORPORATE BUSINESS & INDUSTRIAL PARK DEVELOPMENTS

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 31, 1954

A.C.C. No. 57665695
Canceling A.C.C. No. 56835695
Service Schedule 3
Revision No. 4011
Effective: February 27, 2008/January 1, 2010



SERVICE SCHEDULE 3 CONDITIONS GOVERNING EXTENSIONS OF ELECTRIC DISTRIBUTION LINES AND SERVICES

- 2.1.1 Extension Facilities will be installed for Corporate Business & Industrial Park Developments in advance of application for service by permanent customers provided the applicant signs an extension agreement. For applicants with estimated loads of less than 3 megawatts or less than 3,000 kVA of transformer capacity, the charges for Extension Facilities will be determined in accordance with the Statement of Charges and shall be paid by the applicant prior to the Company installing facilities. Payment is due at the time the extension agreement is executed by the applicant.

The charges for Extension Facilities installed for applicants with projected loads of 3 megawatts or greater, or requiring transformer capacity of 3,000 kVA or greater or applicants requiring primary metering or specialized or additional equipment for enhanced reliability will be in accordance with a cost estimate determined by the Company based on project-specific requirements. Payment is due at the time the extension agreement is executed by the applicant.

Prior to the ordering of specialized materials or equipment required to provide service applicant will be required to pay the estimated cost of the material or equipment.

- 2.1.2 Extension Facilities will be installed to individual lots (applicants/customers) within the Corporate and Business Park Development in accordance with the applicable sections of this Service Schedule.

3.0 OTHER CONDITIONS

3.1 IRRIGATION CUSTOMERS

Extension Facilities will be installed for Irrigation Customers provided the applicant signs an extension agreement. The charges for Extension Facilities will be determined in accordance with the Statement of Charges and shall be paid by the applicant prior to the Company installing facilities. Payment is due at the time the extension agreement is executed by the applicant. Non-agricultural irrigation pumping service to permanent customers will be extended as specified in Section 2. Non-agricultural irrigation pumping service to temporary or doubtful permanency customers will be extended as specified in Section 3.2 or 3.3 below, as applicable.

3.2 TEMPORARY CUSTOMERS

Where a temporary meter or construction is required to provide service to the applicant, the applicant shall make a payment in advance of installation or construction equal to the cost of installing and removing the facilities required to provide service, less the salvage value of such facilities. Charges will be in accordance with a cost estimate determined by the Company based on project-specific requirements. Payment is due at the time the extension agreement is executed by the applicant.

When the use of service is discontinued or agreement for service is terminated, Company may dismantle its facilities and the materials and equipment provided by Company will be salvaged and remain Company property.

3.3 MUNICIPALITIES AND OTHER GOVERNMENTAL AGENCIES

Relocation of existing facilities and/or Extension Facility installations required to serve the loads of



SERVICE SCHEDULE 3 CONDITIONS GOVERNING EXTENSIONS OF ELECTRIC DISTRIBUTION LINES AND SERVICES

municipalities or other governmental agencies may be constructed prior to the receipt of an executed extension agreement. However, this does not relieve the municipality or governmental agency of the responsibility for payment of the extension costs in accordance with the applicable sections of this Service Schedule.

4.0 UNDERGROUND CONSTRUCTION

4.1 GENERAL UNDERGROUND CONSTRUCTION POLICY - With respect to all underground installations, Company may install underground facilities only if all of the following conditions are met:

- 4.1.1 The extension meets all requirements as specified in Sections 1.0, 2.0, or 3.0.
- 4.1.2 The customer or applicant(s) provides all earthwork including, but not limited to, trenching, boring or punching, backfill, compaction, and surface restoration in accordance with Company specifications. Customer or applicant(s) may hire contractors to perform this work.
- 4.1.3 The customer or applicant(s) provides installation of equipment pads, pull-boxes, manholes, and conduits as required in accordance with Company specifications.
- 4.1.4 In lieu of customer or applicant(s) providing these services and equipment, the Company may provide and the customer or applicant(s) will make a payment equal to the cost of such work plus any administrative or inspection fees incurred by Company. Customers or applicants electing this option will be required to sign an agreement indemnifying and holding APS harmless against claims, liabilities, losses or damage (Claims) asserted by a person or entity other than APS' contractors, which Claims arise out of the trenching and conduit placement, provided the claims are not attributable to APS' gross negligence or intentional misconduct.

5.0 GENERAL CONDITIONS

5.1 VOLTAGE

All Extension Facility installations will be designed and constructed for operation at standard voltages used by Company in the area in which the extension is located. Company may deliver service for special applications of higher voltages with prior approval from Company's Engineering Department, applicant will be required to pay the costs of any required studies.

Extension Facilities installed at higher voltages are limited to serving an applicant operating as one integral unit under the same name and as part of the same business on adjacent and contiguous sites not separated by private property owned by another party or public property or right of way.

5.2 POINT OF DELIVERY

- 5.2.1 For overhead service, the point of delivery shall be where Company's service conductors terminate at the customer's weatherhead or bus riser.
- 5.2.2 For underground service, the point of delivery shall be where Company's service conductors terminate in the customer's or development's service equipment. The

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 31, 1954

A.C.C. No. 57665695
Canceling A.C.C. No. 56835695
Service Schedule 3
Revision No. 4011
Effective: February 27, 2008/January 1, 2010



**SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES**

customer shall furnish, install and maintain any risers, raceways and/or termination cabinets necessary for the installation of Company's underground service conductors.

- 5.2.3 For special applications where service is provided at voltages higher than the standard voltages specified in the Electric Service Requirements Manual, APS and customer shall mutually agree upon the designated point of delivery.

5.3 EASEMENTS

All suitable easements or rights-of-way required by Company for any portion of the extension which is either on premises owned, leased or otherwise controlled by the customer or developer, or other property required for the extension, shall be conveyed to the Company in Company's name by the customer without cost to or condemnation by Company and in reasonable time to meet proposed service requirements. All easements or rights-of-way obtained on behalf of Company shall contain such terms and conditions as are acceptable to Company.

5.4 GRADE MODIFICATIONS

If subsequent to construction of electric facilities the final grade established by the customer or developer is changed in such a way as to require relocation of Company facilities or the customer's actions or those of his contractor results in damage to such facilities, the cost of relocation and/or resulting repairs shall be borne by customer or developer.

5.5 OWNERSHIP

Except for customer-owned facilities, all electric facilities installed in accordance with this Service Schedule will be owned, operated, and maintained by Company.

5.6 MEASUREMENT AND LOCATION

- 5.6.1 Measurement must be along the proposed route of construction.
- 5.6.2 Construction will be on public streets, roadways, highways, or easements acceptable to Company.
- 5.6.3 The extension must be a branch from, the continuation of, or an addition to, the Company's existing distribution facilities.

5.8 UNUSUAL CIRCUMSTANCES

In unusual circumstances as determined by Company, when the application and provisions of this policy appear impractical, or in case of extension of lines to be operated on voltages other than specified in the applicable rate schedule, or when customer's estimated load will exceed 3,000 kW, Company will make a special study of the conditions to determine the basis on which service may be provided. Additionally, Company may require special contract arrangements as provided for in Section 1.1 of Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Service.

5.9 ABNORMAL LOADS

Company, at its option, may make extensions to serve certain abnormal loads (such as: transformer-type welders, x-ray machines, wind machines, excess capacity for test purposes and loads



SERVICE SCHEDULE 3

CONDITIONS GOVERNING EXTENSIONS OF ELECTRIC DISTRIBUTION LINES AND SERVICES

of unusual characteristics) and the costs of any distribution system modifications or enhancements required to serve the customer will be included in the payment described in previous sections of this Service Schedule.

5.10 UPGRADES, RELOCATIONS AND/OR CONVERSIONS

- 5.10.1 Company will upgrade, relocate or convert its facilities for the customer's convenience or aesthetics. The cost of upgrades, relocation or conversion will be as determined by the Company by a detailed estimate will be included in the payment described in previous sections of this Service Schedule.
- 5.10.2 When the relocation of Company facilities involve "prior rights" conditions, the customer will be required to make payment equal to the estimated cost of relocation as determined by the Company by a cost estimate.

5.11 MASTER METERING

- 5.11.1 Mobile Home Parks - Company shall refuse service to all new construction and/or expansion of existing permanent residential mobile home parks unless the construction and/or expansion is individually metered by Company.
- 5.11.2 Residential Apartment Complexes, Condominiums - Company shall refuse service to all new construction of apartment complexes and condominiums which are master metered unless the builder or developer can demonstrate that the installation meets the provisions of R14-2-205 of the Corporation Commission's Rules and Regulations or the requirements discussed in 5.11.3 below. This section is not applicable to Senior Care/Nursing Centers registered with the State of Arizona with independent living units which provide packaged services such as housing, food, and nursing care.
- 5.11.3 Multi-Unit Residential Developments - Company will allow master metering for residential units where the residential units are privately owned provided the building will be served by a centralized heating, ventilation and/or air conditioning system, and each residential unit shall be individually sub-metered and responsible for energy consumption of that unit.
- 5.11.3.1 Sub-metering shall be provided and maintained by the builder or homeowners association.
- 5.11.3.2 Responsibility and methodology for determining each unit's energy billing shall be clearly specified in the original bylaws of the homeowners association, a copy of which must be provided to Company prior to Company providing the initial extension.
- 5.11.4 Company will convert its facilities from master metered system to a permanent individually metered system at the customer's request provided the customer makes a payment equal to the residual value plus the removal costs less salvage of the master meter facilities to be removed. The new facilities to serve the individual meters will be extended on the basis specified in Section 1. Applicant is responsible for all costs related to the installation of new service entrance equipment.

5.12 CHANGE IN CUSTOMER'S SERVICE REQUIREMENTS

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 31, 1954

A.C.C. No. 57665695
Canceling A.C.C. No. 56835695
Service Schedule 3
Revision No. 4911
Effective: February 27, 2008 January 1, 2010



SERVICE SCHEDULE 3 CONDITIONS GOVERNING EXTENSIONS OF ELECTRIC DISTRIBUTION LINES AND SERVICES

Company will rebuild, modify, or upgrade existing facilities to meet the customer's added load or change in service requirements. When the applicant authorizes Company to proceed with construction of the extension, the payment will be credited to the cost of the extension otherwise the payment shall be non-refundable. Charges for such changes will be in accordance with a cost estimate determined by the Company based on project-specific requirements.

5.13 STUDY AND DESIGN PAYMENT

Any applicant requesting Company to prepare special studies or detailed plans, specifications, or cost estimates will be required to make a payment to Company an amount equal to the estimated cost of preparation. When the applicant authorizes Company to proceed with construction of the extension, the payment will be credited to the cost of the extension otherwise the payment shall be non-refundable. Company will prepare, without charge, a preliminary sketch and rough estimate of the cost to be paid by the applicant for upon request.

5.14 SETTLEMENT OF DISPUTES

Any dispute between the customer or prospective customer and Company regarding the interpretation of these "Conditions Governing Extensions of Electric Distribution Lines and Services" may, by either party, be referred to the Arizona Corporation Commission or a designated representative or employee thereof for determination.

5.15 EXTENSION AGREEMENTS

All facility installations or equipment upgrades requiring payment by an applicant or customer shall be in writing and signed by both the applicant or customer and Company.

5.16 ADDITIONAL PRIMARY FEED

When specifically requested by an applicant or customer to provide an alternate primary feed (excluding transformation), Company will perform a special study to determine the feasibility of the request. The applicant or customer will be required to pay for the added cost as well as the applicable rate for the additional feed requested. Installation cost will be based on a cost estimate based on project-specific requirements. Payment for the installation of facilities is due at the time the facilities agreement is executed by the applicant.

5.17 POLICY EXCEPTION

The Schedule 3 as stated herein is applicable to all applicants and customers unless specific exemptions are approved by the Arizona Corporation Commission. The following exemptions have been approved:

5.17.1 Residential Homes on Native American Land

Extensions for residential homes on Native American Reservations will be made in accordance with the provisions of Service Schedule 3 that was in effect April 1, 2005 through June 30, 2007. Application of this Section 5.17.1 is limited to Native American Reservations as defined by applicable Federal law.

5.17.2 Individual Residence Extension for Residences Owned by Limited Income Owners

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 31, 1954

A.C.C. No. 57665695
Canceling A.C.C. No. 56835695
Service Schedule 3
Revision No. 4911
Effective: February 27, 2008 January 1, 2010



SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES

Extensions for residential homes where the Applicant's income is below 150 percent of the federal poverty level will be made in accordance with the provisions of Service Schedule 3 that was in effect April 1, 2005 through June 30, 2007. Application of this Section 5.17.2 is limited to instances where each of the following circumstances is present: 1) the requested extension is to land that is currently owned by the Applicant whose income is below 150% of the Federal poverty level; 2) the land was purchased by the current owner before the effective date of Decision No. 69663 (June 28, 2007); and 3) the requested extension is for the Applicant's personal residential use. Applicant must provide proof that is acceptable to the Company that the Applicant meets the eligibility criteria described in this Section.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 31, 1954

A.C.C. No. ~~57665695~~
Canceling A.C.C. No. ~~56835695~~
Service Schedule 3
Revision No. ~~4011~~
Effective: ~~February 27, 2008~~ January 1, 2010



SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES

ATTACHMENT 1
SCHEDULE OF CHARGES – SINGLE PHASE

APS Schedule #3, Line Extension Statement of Charges
Single Phase Extension Costs, Year 2010

Primary Single Phase	Overhead		Underground	
	Cost per Circuit Foot	\$15.32	Cost per Circuit Foot	\$5.75
			Pad Mount Switch Gear	\$3,770
			Pull Box	\$719
Transformer Single Phase	SES Size		Overhead	Underground Padmount
	200 Amp		\$3,324	\$3,393
	200 Amp		\$4,160	\$4,740
	400 Amp		\$4,160	\$4,740
	600 Amp		\$5,633	\$5,649
	800 Amp		\$7,152	\$6,754
Services Single Phase	Service Line per Circuit Foot			
	Size		Overhead	Underground
Res & Non-Res	200 Amp	\$4.57	\$2.79	
Residential	400 Amp	\$8.58	\$3.27	
Non-Residential	400 Amp	\$8.58	\$3.27	
Res & Non-Res	600 Amp	\$17.16	\$6.54	
Res & Non-Res	800 Amp	\$25.74	\$9.87	

Notes:

- 1) Extension Facilities that do not qualify for the Statement of Charges will be determined by a project specific cost estimate.
- 2) Cost per foot charges will be determined from termination at the source to the next device in the circuit. Footage for each circuit will be summed to determine charges.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 31, 1954

A.C.C. No. 57665695
Canceling A.C.C. No. 56835695
Service Schedule 3
Revision No. 4911
Effective: February 27, 2008 January 1, 2010



SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES

ATTACHMENT 1
SCHEDULE OF CHARGES – THREE PHASE

APS Schedule #3 Line Extension Statement of Charges
Three Phase Extension Costs, Year 2010

Feeder Three Phase	Underground						
	Overhead	Cost per Circuit Foot (1 Circuit)	Cost per Circuit Foot (2 Circuits)	Manhole (1 Circuit)	Pull Box (2 Circuits)	Manhole (2 Circuits)	Pad Mount Switch Gear
	\$34.33	\$24.73	\$47.06	\$8,447	\$6,284	\$12,036	\$15,519

Primary Three Phase	Underground						
	Overhead	Cost per Circuit Foot (1 Circuit)	Cost per Circuit Foot (2 Circuits)	Manhole (1 Circuit)	Pull Box (2 Circuits)	Manhole (2 Circuits)	Pad Mount Switch Gear
	\$21.98	\$16.66	\$47.06	\$8,447	\$6,284	\$12,036	\$15,519

Transformer Three Phase	Overhead							
	SES Size	120/208 Volts		277/480 Volts		Underground Padmount		
		120/208 Volts		277/480 Volts		120/208 Volts		
	200 Amp	3-25kVA	\$8,839	3-50kVA	\$9,063	112.5kVA	112.5kVA	\$13,277
	400 Amp	3-50kVA	\$11,349	3-75kVA	\$11,033	112.5kVA	225kVA	\$15,841
	600 Amp	3-50kVA	\$11,349	3-100kVA	\$11,545	150kVA	300kVA	\$17,823
	800 Amp	3-75kVA	\$15,753			225kVA	500kVA	\$19,870
	1000 Amp	3-75kVA	\$15,753			225kVA	500kVA	\$19,870
	1200 Amp	3-100kVA	\$20,112			300kVA	750kVA	\$25,391
	1600 Amp	3-167kVA	\$23,638			500kVA	1000kVA	\$25,642
	2000 Amp					500kVA	1000kVA	\$25,642
	2500 Amp					750kVA	1500kVA	\$39,086
3000 Amp					750kVA	1500kVA	\$39,086	

Services Three Phase	Service Line per Circuit Foot		Service Size	Service Line per Circuit Foot		
	Overhead	Underground		Overhead	Underground	
	200 Amp	\$3.43	\$5.10	1200 Amp	\$29.76	\$31.65
	400 Amp	\$9.40	\$10.18	1600 Amp	\$29.76	\$50.64
	600 Amp	\$14.88	\$11.42	2000 Amp	\$29.76	\$50.64
	800 Amp	\$14.88	\$25.32	2500 Amp	\$29.76	\$82.31
1000 Amp	\$29.76	\$25.32	3000 Amp	\$29.76	\$88.62	

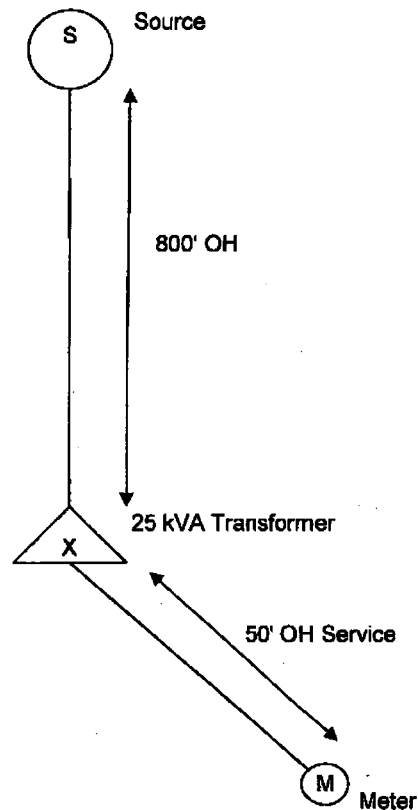
Notes:

- 1) Extension Facilities that do not qualify for the Statement of Charges will be determined by a project specific cost estimate.
- 2) Cost per foot charges will be determined from termination at the source to the next device in the circuit. Footage for each circuit will be summed to determine charges.
- 3) For Multiple services out of one three phase transformer, the service cost will be determined by each SES and the transformer cost will be determined from the combined of each SES size in amps, rounded up to the nearest SES size, limited to a combined maximum of 3,000. amps.



SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES

Customer A



Cost per Statement of Charges		
800' OH @ \$15.32/ft =	\$	12,256
25 kVA OH Transformer (X) =	\$	3,324
50' OH Service @ \$4.57/ft =	\$	229
Total Charge =	\$	15,809

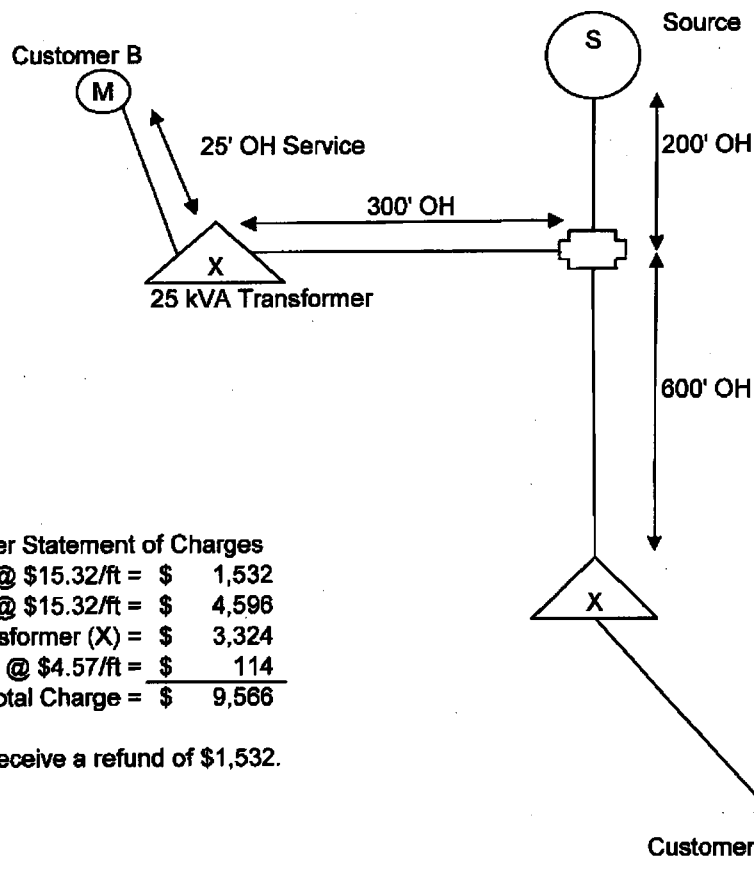
ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 31, 1954

A.C.C. No. 57665695
Canceling A.C.C. No. 56835695
Service Schedule 3
Revision No. 4011
Effective: February 27, 2008 January 1, 2010



SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES

Customer B
Added to Extension Funded by Customer A



Cost per Statement of Charges	
1/2 of 200' OH @ \$15.32/ft =	\$ 1,532
300' OH @ \$15.32/ft =	\$ 4,596
25 kVA OH Transformer (X) =	\$ 3,324
25' OH Service @ \$4.57/ft =	\$ 114
Total Charge =	\$ 9,566

Customer A will receive a refund of \$1,532.



**SERVICE SCHEDULE 4: TOTALIZED METERING OF
MULTIPLE SERVICE ENTRANCE SECTIONS AT A SINGLE
~~SITE FOR STANDARD OFFER AND DIRECT ACCESS SERVICE~~**

Arizona Public Service Company (Company) customers at a single site whose load requires multiple points of delivery through multiple service entrance sections (SEs) may be metered and billed from a single meter through Adjacent Totalized Metering or Remote Totalized Metering as specified in this schedule.

Totalized Metering (Adjacent or Remote) is the measurement for billing purposes on the appropriate rate, through one meter, of the simultaneous demands and energy of a customer who receives electric service at more than one SES at a single site.

- A. Totalized metering will either be Adjacent or Remote and shall be permitted only if conditions 1 through 8 are all satisfied.
1. The customer's facilities must be located on adjacent and contiguous sites not separated by private or public property or right-of-way and must be operated as one integral unit under the same name and as a part of the same business or residence (these conditions must be met to be considered a single site, as specified in Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Service, Section 4.1.1); and
 2. Power will generally be delivered at no less than 277/480 volt (nominal), three phase, four wire or 120/240 volt (nominal) single phase three wire; and
 3. Three phase and single phase service entrance sections can not be combined for totalizing purposes; and
 4. For Standard Offer customers, totalized metering may be accomplished by providing electronically totalized demand and energy reads or by means of a physical wire interconnection of metering information with the customer providing conduit between the SEs; for Direct Access customers the customer's Electric Service Provider may provide electronically totalized demand and energy reads in compliance with Company's Schedule 10, Terms and Conditions for Direct Access; and
 5. The customer shall provide vault or transformer space, which meets Company specifications, on the customer's property at no cost to Company; and
 6. If the customer operates an electric generation unit on the premise, totalized metering will be permitted when the customer complies with all of Company's requirements for interconnection, pays all costs for any additional special metering required to accommodate such service from totalized service sections, and takes service on an applicable rate schedule for interconnected customer owned generation; and
 7. Written approval by Company's authorized representative is required before totalized metering may be implemented.
 8. Customers electing to have accounts either Adjacent or Remote Totalized metered will be required to maintain the accounts in the approved totalized configuration for a minimum of one (1) year.
- B. Adjacent Totalized Metering will apply when conditions A.1-A.7-8 and the following conditions are met:
1. The customer's total load to be totalized requires a National Electrical Code (NEC) service entrance size of over 3,000 amps three phase or 800 amps single phase; and



**SERVICE SCHEDULE 4: TOTALIZED METERING OF
MULTIPLE SERVICE ENTRANCE SECTIONS AT A SINGLE
SITE FOR STANDARD OFFER AND DIRECT ACCESS SERVICE**

2. Company requires that load be split and served from multiple SESs; and
3. The customer must locate SESs to be totalized within 10 feet of each other.

There will be no additional charge to the customer's monthly bill for Adjacent Totalized Metering.

C. Remote Totalized Metering will apply when conditions A.1-A.87 are met, multiple SESs are separated from one another by more than 10 feet, and the following conditions are met:

1. Each of the customer's service entrance sections to be totalized requires an NEC section size of 3,000 amps three phase or 800 amps single phase or greater; and
2. The customer's total load to be totalized has a minimum demand of 2,000 kVa or 1,500 kW three phase or 100 kVa or 80 kW single phase; and
3. The customer has made a non-refundable contribution for the net additional cost to Company of the meter totalizing connection and equipment.

When the total capital investment by Company to provide service at multiple points of delivery, as computed by Company, is equal to or less than the cost to serve a single point of delivery, then no additional monthly charge shall be made to the customer receiving Remote Totalized Metering. However, lower capital investment which results from the customer's contribution, other than the meter costs in C.3 above, shall not be considered.

For customers where the total capital investment by Company to provide service at multiple points of delivery, as computed by Company, is greater than the cost to serve at a single point of delivery, then there shall be an additional charge. The additional monthly charge for each delivery point above one shall consist of 1% of the totalized bill, plus \$500.00, plus all applicable taxes and adjustments.

D. Removal of Totalized Metering Configuration

In some cases, it may be to the customer's benefit to remove all totalized metering equipment, or remove selected totalized metering equipment from the totalized account. This will be permitted under the following conditions:

1. The customer must submit a written request to Company stating the reason for the removal and the specific equipment to be removed.
2. After removal of the equipment, the customer may not ask for services to be totalized for one (1) year from the removal date. At the end of one (1) year, if the customer does request services to be totalized, the applicable conditions listed above must be met.
3. The customer will be required to make a nonrefundable contribution for the costs associated with the removal of the meter totalizing connection and equipment.
4. In the event the customer should elect to remove a meter from a totalized metering configuration, the customer will continue to be responsible for the minimum billing kW parameters noted on the Customer's Electric Supply Agreement.



**SERVICE SCHEDULE 4: TOTALIZED METERING OF
MULTIPLE SERVICE ENTRANCE SECTIONS AT A SINGLE
~~SITE FOR STANDARD OFFER AND DIRECT ACCESS SERVICE~~**

5. Customer may elect an alternate rate schedule for accounts that are removed from the totalized configuration however no further rate schedule changes may be made within the succeeding twelve (12) month period in accordance with the provisions of the Company's Schedule 1.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: February 22, 1977

A.C.C. No. 56845767
Canceling A.C.C. No. 5684623
Service Schedule 4
Revision No. 67
Effective: July 7, 2007 January 1, 2010



SERVICE SCHEDULE 5 GUIDELINES FOR ELECTRIC CURTAILMENT

1. Arizona Public Service Company (Company) shall have no liability of obligation for claims arising out of the procedures for curtailment or interruption of electric service effected by it in accordance with such guidelines or such supplemental, amendatory or implementary guidelines or regulations as may hereafter be established and as provided by law.
2. Company shall endeavor to identify any electric customer(s) who might be classified as having either essential or critical loads. In the event that any customer of Company is dissatisfied by the classification of Customer by Company, or with the amount of such customer's load (if any) classified by the Company as critical or essential, the Customer may bring the matter to either the Company or the Commission and request a determination in regard thereto. However, until such redetermination is made by the Commission or the Company, customer's original classification for purposes of electric curtailment under this Schedule shall be unaffected.
3. Company shall endeavor to, as circumstances permit and as further discussed in the Company's detailed Electric Load and Curtailment Plan, to notify County emergency personnel, or similar local authorities, of existing or developing situations involving the curtailment or interruption of APS customers pursuant to this Schedule #5.
4. DEFINITIONS
 - 4.1 Essential Loads – Loads necessary to serve facilities used to protect the health and safety of the public, such as: hospitals, 911 Centers, national defense installations, sewage facilities and domestic water facilities. Loads necessary to serve 911 Centers, police stations, and fire stations, which do not have independent back-up generation and require APS' electric service for operation of essential emergency equipment.
 - 4.2 Critical Loads – That portion of the electric load of nonresidential customers, which in the event of 100 percent curtailment of service, would cause excessive damage to equipment or material being processed, or where such interruption would create grave hazards to employees or the public.
 - 4.3 Major Use Customers/Others (With Notice) – Those customers having relatively large loads (over 1000 kW) or a substantial number of employees or other special circumstances that make it appropriate to schedule blackouts or curtailments different from typical customers. Customers who qualify as Major Use/Others (With Notice) can take 100 percent curtailment when sufficient notice is provided. These loads will be interrupted after the required notification period. "Sufficient", "required", and "appropriate" notice is that notice that APS, after consultation with the affected customer, has determined will allow the customer to curtail in a safe and efficient manner. Such notice necessarily varies from customer to customer.
 - 4.4 Others (With or Without Notice) – All customers not meeting the above definitions. These customers will be interrupted (with or without notice) if voluntary curtailment measures are not sufficient to alleviate the situation.
5. GUIDELINES TO BE APPLICABLE IN EVENT OF INTERRUPTION OR CURTAILMENT OF ELECTRIC SERVICE BY COMPANY TO ITS CUSTOMERS DUE TO POWER SUPPLY INTERRUPTIONS, FUEL SHORTAGE OR TRANSMISSION EMERGENCY PURSUANT TO CORPORATION COMMISSION RULE R14-2-208, PROVISION OF SERVICE, PARAGRAPH E.

5.1 Operating Procedures Prior to Customer Load Curtailment

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 26, 1982

A.C.C. No. 56245768
Canceling A.C.C. No. 54485624
Service Schedule 5
Revision No. 67
Effective: April 1, 2005/January 1, 2010



SERVICE SCHEDULE 5 GUIDELINES FOR ELECTRIC CURTAILMENT

5.1.1 The following items shall be pursued concurrently

- 5.1.1.1 Reschedule maintenance of transmission components and generating units, where practical.
- 5.1.1.2 Utilize spinning reserve.
- 5.1.1.3 Discontinue all non-firm wholesale sales during any period of involuntary curtailment or when an involuntary curtailment is anticipated.
- 5.1.1.4 Do not enter into any new wholesale sales during any period of involuntary curtailment or when an involuntary curtailment is anticipated.
- 5.1.1.5 Start all standby units.
- 5.1.1.6 Contact other utilities and/or agencies for emergency assistance.
- 5.1.1.7 Invoke emergency and short-term contractual schedules with other utilities and/or agencies.
- 5.1.1.8 Reduce system voltage, where practical.
- 5.1.1.9 Reduce non-essential Company uses such as flood lighting, sign lighting, display lighting, office lighting, electric cooling and heating, etc., where practical.
- 5.1.1.10 Provide information through the media or other appropriate medians to the public which will contain instructions on how customers can assist Company in case of an emergency power outage.
- 5.1.1.11 Work with government agencies and environmental groups to seek waivers on environmental constraints and/or expedite permitting process for company-owned generation, as well as, customer generation, as appropriate.

5.2 Voluntary Customer Load Curtailment

5.2.1 Public Appeal

- 5.2.1.1 An advisory message procedure will be used when Company has advance indications that it will not be able to meet future peak loads. These messages will request voluntary load reduction during specific hours on specific days.
- 5.2.1.2 An emergency bulletin procedure will be used for instant notification to the public in the event there is no advance indication of a power shortage. These bulletins will request the immediate voluntary cooperation of all customers in reducing electric loads.
 - 5.2.1.2.1 These bulletins will request all customers to reduce the use of all electrically operated equipment and devices, where possible.



SERVICE SCHEDULE 5 GUIDELINES FOR ELECTRIC CURTAILMENT

5.2.1.2.2 Company will have a prepared statement to read which will give current information on the Power Supply Interruption, Fuels Shortage or Transmission Emergency.

5.3 Contractually Interruptible Load

5.3.1 Company shall invoke contractual interruption provisions to the extent appropriate.

5.3.2 Company shall interrupt non-firm wholesale customer(s) as appropriate.

5.4 Involuntary Customer Load Curtailment

5.4.1 If the load reduction realized from application of the voluntary curtailment procedures is not sufficient to alleviate the power shortage, Company will reduce voltage if and to the extent practical and in accordance with normal applicable electric utility operation standards.

5.4.2 If further load reduction is required, load will be reduced as follows:

5.4.2.1 Circuits not classified with "Major Use/Others With Notice, Critical or Essential" customers will be interrupted on a rotating basis. The frequency and duration of such interruptions will be dependent upon the magnitude and nature of the power shortage. The frequency and duration of such interruptions shall also consider the circumstances of Major Use Customers.

5.4.2.2 Accurate records will be kept to ensure that these circuits are rotated in an equitable and technically feasible manner.

5.4.2.3 Circuits classified as "Major Use/Others" will be interrupted upon the giving of appropriate notice.

5.4.2.4 Customers on circuits which serve critical loads will be required to curtail the non-critical portion of their loads. Thereafter, circuits which serve critical loads will be identified and will not be interrupted unless an area must be dropped to maintain stability of the electric system. However, loads otherwise classifiable as critical may be curtailed if they possess back-up generation sufficient to meet their entire load requirement. If a customer having a critical load refuses or fails to curtail his electric consumption down to the critical load, he shall thereupon not be considered to have a critical load for purposes of this Schedule.

5.4.2.5 Circuits which serve essential loads will be identified and will not be interrupted unless an area must be dropped to maintain stability of the electric system. However, loads otherwise classifiable as essential may be curtailed if they possess back-up generation sufficient to meet their entire load requirement.

5.5 Sudden Shortages of Power

In the event that time does not allow for the implementation of the Electric Curtailment Guidelines, Company may resort to its emergency operations procedures, with or without notice.



SERVICE SCHEDULE 5 GUIDELINES FOR ELECTRIC CURTAILMENT

5.6 Automatic Load Shedding

In the event that there is a major electrical disturbance threatening the interconnected Southwest system with blackout conditions, emergency devices such as under frequency load shedding, transfer tripping, etc., will be utilized to maintain the optimum system stability.

6. ELECTRIC CURTAILMENT OF FIRM WHOLESale CUSTOMERS

6.1 The term "firm wholesale customer" shall be defined as those APS customers who purchase, on a firm basis, electricity from the Company for purposes of resale.

6.2 In any given instance where a curtailment of wholesale power deliveries is involved, and subject to any required approvals of the Federal Energy Regulatory Commission or contractual provisions to the contrary, Company shall notify its firm wholesale customers, requesting that they curtail electric service to their retail customers during the period that Company's system is affected by power shortages. In the event that Company is unable to obtain the cooperation of a firm wholesale customer, it may seek an order from appropriate governmental authority requiring the firm wholesale customer to accept a reduction of electricity deliveries proportionate to the curtailment being effected on Company's system.

7. ELECTRIC LOAD AND CURTAILMENT PLAN

A detailed electric load and curtailment plan shall be kept on file with the Arizona Corporation Commission. This plan shall contain specific procedures for implementation of the above, along with the name(s) and telephone number(s) of the appropriate Company personnel to contact in the event implementation of the plan becomes necessary. This plan shall be updated at least annually, and it or amendments thereto shall become effective upon submission to the Arizona Corporation Commission.

7.1 Company shall contact the Director, Utilities Division, or their designee, as soon as practical for any curtailment pursuant to this Schedule #5.



SERVICE SCHEDULE 8 BILL ESTIMATION

Arizona Public Service Company (APS or Company) regularly encounters situations in which APS cannot obtain a complete and valid meter read. Situations that result in an estimated meter read include inclement weather, lack of access to a customer's meter, energy diversion, labor unavailability and equipment malfunction. Without a valid meter read, the customer's energy usage and/or demand must be estimated in order to render a bill for the missing read period. A bill based on estimated usage is often referred to as an "estimated bill."

APS uses situation specific methods to estimate electrical usage to ensure that the most accurate usage estimate is obtained. This Schedule describes the estimation methods and procedures used when an actual meter read cannot be obtained or when energy diversion and/or meter tampering has occurred. The estimating process is applicable to customers receiving Standard Offer service and to direct access customers receiving unbundled delivery service from the Company.

1. GENERAL

- 1.1 Estimating a read for energy (kWh) and/or demand (kW) is performed in accordance with the provisions of this Schedule or such supplemental or amendatory guidelines or regulations as may hereafter be established and as provided by law.
- 1.2 This Schedule shall be considered a part of all rate schedules.
- 1.3 Upon discovery of the need to estimate kWh or kW, Company will make reasonable attempt (s) to secure an accurate meter reading and to resolve no-access issues.
- 1.4 Company is not obligated to obtain, or attempt to obtain, a customer supplied meter read prior to sending an estimated bill. In circumstances where APS has agreed in writing to permit customer supplied meter reads in accordance with Arizona Corporation Commission (ACC or Commission) regulations and that customer fails to provide Company with the meter read, estimation is also allowed.
- 1.5 Estimates due to equipment malfunctions may exceed one month if the malfunction of Company owned or maintained equipment could not be reasonably discovered and/or corrected before the need for additional estimates, or if the equipment malfunction is with regard to customer-owned or maintained equipment.
- 1.6 This schedule is not intended to supersede the Commission's rules and regulations in effect at the time the Commission approved this Schedule 8 without a specific decision of the Commission.

2. BILL ESTIMATION

- 2.1 The causes that result in an estimated bill include but are not limited to:
 - 2.1.1 Inclement weather where conditions prevent meter access or compromise APS employee safety as determined by Company.
 - 2.1.2 Lack of access to the meter either due to conditions on the customer's premise or to road closures that prevent access to the customer's premise.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: December 8, 2007

A.C.C. No. 57695633
Canceling A.C.C. No. 5633
Service Schedule 8
Original Revision No. 1
Effective: January 1, 2010 December 8, 2007



SERVICE SCHEDULE 8 BILL ESTIMATION

- 2.1.3 Equipment or meter failure or malfunction with no reliable information retained by the meter.
- 2.1.4 Labor unavailability due to circumstances such as unforeseen illness, natural disasters, or other extreme events.
- 2.1.5 Meter tampering or energy diversion resulting in a lack of accurate metered consumption information.
- 2.1.6 An electronic meter reading is obtained, but the data cannot be transferred to a billing computer.
- 2.1.7 Only a partial read for a meter (for example, the total kWh read is obtained from a time-of-use meter, but on-peak kWh and/or kW reads are unavailable). Company will use the read available, and estimate the missing read(s).
- 2.2 The following defines certain conditions under which a bill is not considered estimated:
 - 2.2.1 A bill based on an actual kWh read, following an estimated bill. This is considered a "true-up" bill and has an explanation of "true-up" on the bill.
 - 2.2.2 Rate changes in the middle of the billing cycle.
 - 2.2.3 A meter failure or malfunction which does not prevent the meter from accurately recording customer usage or from being read.
 - 2.2.4 The meter read is not available using electronic meter reading devices, but data is obtained from a visual meter reading.
 - 2.2.5 Meter reading information is not available because the service is provided on an un-metered basis.
 - 2.2.6 Unbundled service for direct access customers is provided on the basis of load profiles in accordance with ACC regulations rather than using interval data metering.
 - 2.2.7 When Company determines a meter is misread, but the actual read on the meter at the time it was read can be determined, Company makes a manual correction to the incorrect read. This includes, but is not limited to, the following examples:
 - 2.2.7.1 A shut-off read is obtained, and on the same day the monthly meter read is taken and is higher by 1 kWh. The monthly meter read is changed to the same read as the shut off read.
 - 2.2.7.2 The serviceman enters a shut-off or turn-on read and then calls into the office to say he entered the read for the wrong address. The correct reads are entered for the appropriate addresses.
 - 2.2.7.3 Accurate consumption information can be obtained from load research meters.



SERVICE SCHEDULE 8 BILL ESTIMATION

- 2.2.8 A bill is estimated, and then rebilled when an actual read is obtained for the same billing period. The first bill is considered an estimated bill and is coded as such. The subsequent bill is considered a corrected bill and is not coded as an estimate, but does contain "corrected bill" language.

3. BILL ESTIMATION METHODS

The following section describes the estimation methods used to estimate energy consumption and demand for most instances. Estimation techniques required where special circumstances exist, such as initial bills, are also described. In general, the estimation methodologies utilize historical data.

3.1 ENERGY ESTIMATION (kWh)

For energy estimation, the following hierarchy is used: 1) The estimate will be based on the customer-specific prior month's energy consumption unless that month was an initial bill. 2) If the prior month's customer-specific energy consumption is not available or was an initial bill, the estimate will be based on the customer-specific energy consumption for the same month in the prior year. 3) If the customer-specific prior month or same month last year energy consumption is unavailable but adequate seasonal customer history exists, energy consumption will be estimated based on daily usage during six months of the same season. 4) If customer-specific energy consumption is not available, the estimate will be based on the prior month's energy consumption at that premise unless that month was an initial bill. 5) If prior month's premise energy consumption is not available or was an initial bill, the premise energy consumption for the same month in the prior year will be used to estimate consumption. 6) If premise-specific prior month or same month last year is unavailable but adequate seasonal premise history exists, energy consumption will be estimated based on daily usage during six months of the same season. 7) When adequate customer or premise history is not available, the estimate is based on the customer class average usage found in Section 3.3.1.

For customers served under time-of-use schedules, the hierarchy listed above will be utilized to develop the estimated on-peak and off-peak energy consumption.

For customers served under rate schedules SC-S, EPR-2, EPR-5, and EPR-6 the hierarchy listed above will be used to estimate the energy consumed by the Customer. Section 3.1.3 below shall be used to estimate any excess energy purchased by the Utility. For customers served under rate schedules E-56, CPP-RES and CPP-GS, the energy estimation will be addressed on a case-by-case basis.

For bill estimation purposes, the Summer Season is defined as May through October and the Winter Season is defined as November through April.

The energy estimation methods are described in detail below.

Previous Month Method

Estimated energy usage is calculated as follows:



SERVICE SCHEDULE 8 BILL ESTIMATION

1. Determine the number of days for the previous month's billing period.
2. Determine the kWh for the previous month's billing period.
3. Divide the previous month kWh by the previous month number of days to determine $p\text{Previous } m\text{Month per } d\text{Day } u\text{Usage}$.
4. Multiply the $p\text{Previous } m\text{Month per } d\text{Day } u\text{Usage}$ by the number of days in the missing read billing period to yield the kWh for the missing read billing period.

Same Month Prior Year Method

Estimated energy is calculated as follows:

1. Determine the number of days for the same month of the previous year's billing period.
2. Determine the kWh for the same month of the previous year's billing period.
3. Divide the same month prior year's kWh by the same month prior year's number of days to get $s\text{Same } m\text{Month } p\text{Prior } y\text{Year per } d\text{Day } u\text{Usage}$.
4. Multiply the $s\text{Same } m\text{Month } p\text{Prior } y\text{Year per } d\text{Day } u\text{Usage}$ by the number of days in the missing read billing period to yield the kWh for the missing read billing period.

Seasonal Average Method

Estimated energy is calculated as follows:

Where there is sufficient seasonal history (the number of days billed in the season is between 165 and 195 days), energy is estimated by calculating the average use per day for the same season as the billing period with the missing read. The resulting per day usage is multiplied by the number of days in the missing-read billing period to yield the usage estimate for the billing period. Seasonal average is calculated as follows:

1. Determine the total number of days from each of the previous six same-season months to yield $s\text{Seasonal } t\text{Total } d\text{Days}$.
2. Add the kWh from each of the previous six same-season months to yield $s\text{Seasonal } t\text{Total kWh}$.
3. Divide $s\text{Seasonal } t\text{Total kWh}$ by $s\text{Seasonal } t\text{Total } d\text{Days}$ to yield the $s\text{Seasonal } p\text{Per } d\text{Day } u\text{Usage}$.
4. Multiply the $s\text{Seasonal } p\text{Per } d\text{Day } u\text{Usage}$ by the number of days in the missing read billing period to yield the kWh for the missing read billing period.



SERVICE SCHEDULE 8 BILL ESTIMATION

Class Average Method

Estimated energy usage is calculated as follows:

Where neither customer nor premise history is available, energy is estimated by calculating the average use per day for customer served under the same rate schedule. The resulting per day usage is multiplied by the number of days in the missing-read billing period to yield the usage estimate for the billing period.

3.1.1 TIME-OF-USE AND SEASONAL ESTIMATION (kWh):

If the rate for the estimated billing period is a time-of-use rate and sufficient time-of-use history does not exist for a customer or premise, on-peak energy usage is allocated as follows:

	Super Summer (Jun, Jul, Aug) ET-SP Only	Summer (May through October)	Winter (November through April)
Residential			
ET-1	=	40%	30%
ET-2	=	25%	16%
ET-SP			
Super Peak	12%	25%	8%
On-Peak (12-3, 6-7)	413%	25%	11%
Total On-Peak (12-3, 6-7)	425%	25%	169%
7)			
ECT-1R	=	40%	30%
ECT-2	=	23%	16%
Non-Residential			
All	=	4032%	3031%

NOTE: The percentages specified above will also apply for seasonal estimation of Customer-owned on-site distributed generators to include both the energy consumed by the Customer and any excess energy purchased by the utility.

Seasonal on-peak energy percentages listed above will be modified through general rate case or tariff filings or within three months whenever annual Load Research studies indicate that changes in these data are greater than 5%.

3.1.2 ENERGY ESTIMATION FOR CUSTOMER-OWNED ON-SITE DISTRIBUTED GENERATORS

For energy estimation for Customer-owned on-site distributed generators, the following hierarchy is used: 1) The estimate will be based on each generators previous month's energy output unless that month was an initial bill. 2) If the



SERVICE SCHEDULE 8 BILL ESTIMATION

prior month's generator-specific energy output is not available or was an initial bill, the estimate will be based on the generator-specific energy output for the same month in the prior year. 3) If the generator-specific prior month or same month last year energy output is unavailable but adequate seasonal history exists for a similar type of generator, energy output will be estimated based on the similar generator's output during six months of the same season. 4) If similar generator output is not available, the estimate will be based on the prior month's generation output at that premise unless that month was an initial bill. 5) If prior month's premise generator output is not available or was an initial bill, the premise generator output for the same month in the prior year will be used to estimate generator output. 6) If premise-specific prior month or same month last year generator output is unavailable but adequate seasonal premise generation output history exists, energy output will be estimated based on daily generation output during six months of the same season. 7) When adequate Customer or similar generator output history is not available, the generator estimate is based on a 50% availability factor for the month (20% for PV systems).

For customers served under time-of-use schedules, the hierarchy listed above will be utilized to develop the estimated on-peak and off-peak energy consumption.

3.1.3 EXCESS POWER (ENERGY) ESTIMATION FOR CUSTOMERS WITH CUSTOMER-OWNED ON-SITE DISTRIBUTED GENERATORS

This section estimates the amount of Customer-owned on-site distributed generation energy provided to the APS distribution system ("Excess Power"). For Excess Power estimation for Customer-owned on-site distributed generators, the following hierarchy is used: 1) The estimate will be based on the previous month's Excess Power kWh level unless that month was an initial bill. 2) If the prior month's Excess Power kWh level is not available or was an initial bill, the estimate will be based on the Excess Power kWh level for the same month in the prior year. 3) If the Excess Power kWh level for the prior month or same month last year is unavailable but adequate seasonal Excess Power history exists, the Excess Power kWh level will be estimated based on the daily Excess Power kWh level during six months of the same season. 4) If the seasonal daily Excess Power kWh level is not available, the Customer's estimate will be based on the prior month's Excess Power kWh level at that premise unless that month was an initial bill. 5) If prior month's premise Excess Power kWh level is not available or was an initial bill, the premise Excess Power kWh level for the same month in the prior year will be used to estimate the Excess Power kWh level. 6) If premise-specific prior month or same month last year Excess Power kWh level data is unavailable but adequate seasonal premise Excess Power kWh level history exists, the Excess Power kWh level will be estimated based on the daily Excess Power kWh level during six months of the same season. 7) When adequate Customer or similar Excess Power kWh level history is not available, the Excess Power kWh level estimate is based on the following formula:

- a. Residential PV Systems: $(1,630.8 \times \text{the nameplate continuous output power rating of the generating facility}) / 12 \times .10$
- b. All other generating systems will be addressed on a case-by-case basis



SERVICE SCHEDULE 8 BILL ESTIMATION

For customers served under time-of-use schedules, the hierarchy listed above will be utilized to develop the estimated on-peak and off-peak Excess Power kWh levels.

3.2 DEMAND ESTIMATION

For those accounts where the missing read period is billed on a demand rate and the missing read billing period is not for an initial bill, demand is estimated using the following hierarchy:

- 3.2.1 If it is the same customer, use the prior month's demand unless that demand was estimated or is for an initial bill.
- 3.2.2 If it is the same customer, but the prior month's customer-specific demand is not available or was estimated or was an initial bill, use the customer-specific demand read from the same billing month a year ago, unless that demand was estimated or is for an initial bill.
- 3.2.3 If the bill for the same month of the prior year was not for the same customer, or was estimated or for an initial bill, use the premise demand read for the prior month, unless that demand was estimated or is for an initial bill.
- 3.2.4 If the prior month's premise demand was estimated or was an initial bill, use the premise demand read from the same billing month of the prior year, unless that demand was estimated or was for an initial bill.
- 3.2.5 For purposes of this Section 3.2., a demand read is considered "estimated" if the demand was not reset the prior month (or any time thereafter) and the demand read is not greater than the prior month's demand read which was not reset.
- 3.2.6 If none of the above is applicable, apply the rate schedule load factor percentage to the appropriate kWh. The rate schedule load factor percentages are:

<u>Residential:</u>	<u>Load Factor %</u>
EC-1	35%
ET-SP Super-Peak	43%
ET-SP On-Peak	38%
ECT-1R	42%
ECT-2	46.39%
<u>Non-residential:</u>	
All	50%

Load factors listed above will be modified through general rate case or tariff filings or within three months whenever annual Load Research studies indicate that changes in these data are greater than 5%.

- 3.2.7 From time to time, meter reader may be unable to reset demand readings. When this occurs the readings are noted as "Demand Not Reset."



SERVICE SCHEDULE 8 BILL ESTIMATION

- 3.2.7.1 In the month when the "Demand Not Reset" is noted, the kWh and kW are not estimates and are used for billing purposes.
- 3.2.7.2 In the following month, if the meter reader is able to reset the demand, the "Demand Not Reset" notation is removed.
- 1) If the kW reading is less than the reading for the previous month, the demand is used for billing purposes and is not an estimated demand.
 - 2) If the demand reading is greater than the previous month when the "Demand Not Reset" was noted, the read demand is used.
 - 3) If the demand reading is equal to the demand reading when the "Demand Not Reset" was noted, demand will be estimated using the procedures described in previous sections of this schedule.

3.2.8 DEMAND ESTIMATION FOR CUSTOMER-OWNED DISTRIBUTED GENERATORS

For those accounts where the missing read period is billed on a demand rate and the missing read billing period is not for an initial bill, demand is estimated using the following hierarchy:

- 3.2.8.1 If it is the same customer, use the prior month's demand from the Customer-owned generator unless that demand was estimated or is for an initial bill.
- 3.2.8.2 If it is the same customer, but the prior month's customer-specific demand from the generator is not available or was estimated or was an initial bill, use the customer-specific demand on the generator from the same billing month a year ago, unless that demand was estimated or is for an initial bill.
- 3.2.8.3 If the demand on the generator for the same month of the prior year was not for the same customer, or was estimated or for an initial bill, use the premise generator demand read for the prior month, unless that demand was estimated or is for an initial bill.
- 3.2.8.4 If the prior month's premise demand from the generator was estimated or was an initial bill, use the premise demand from the generator from the same billing month of the prior year.
- 3.2.8.5 For purposes of this Section 3.2., a demand read on the generator is considered "estimated" if the demand was not reset the prior month (or any time thereafter) and the demand read on the generator is not greater than the prior month's demand read which was not reset.



SERVICE SCHEDULE 8 BILL ESTIMATION

3.2.8.6 If none of the above is applicable, apply the rate schedule load factor percentage to the appropriate kWh. The rate schedule load factor percentages are:

<u>Residential:</u>	<u>Load Factor %</u>
<u>ET-SP Super Peak</u>	<u>43%</u>
<u>ET-SP On-Peak</u>	<u>38%</u>
<u>ECT-1R</u>	<u>42%</u>
<u>ECT-2</u>	<u>39%</u>
<u>Non-residential:</u>	
<u>All</u>	<u>50%</u>

Load factors listed above will be modified through general rate case or tariff filings or within three months whenever annual Load Research studies indicate that changes in these data are greater than 5%.

3.2.8.7 From time to time, meter reader may be unable to reset demand readings. When this occurs the readings are noted as "Demand Not Reset."

3.2.8.7.1 In the month when the "Demand Not Reset" is noted, the kWh and kW are not estimates and are used for billing purposes.

3.2.8.7.2 In the following month, if the meter reader is able to reset the demand on the generator, the "Demand Not Reset" notation is removed.

- 1) If the kW reading is less than the reading for the previous month, the demand on the generator is used for billing purposes and is not an estimated demand.
- 2) If the demand reading on the generator is greater than the previous month when the "Demand Not Reset" was noted, the read demand is used.
- 3) If the demand reading is equal to the demand reading when the "Demand Not Reset" was noted, demand will be estimated using the procedures described in previous sections of this schedule.

3.3 INITIAL BILL

An initial bill is the first bill a customer receives for a premise. Examples of an initial bill include a new meter set where no service has previously been provided, or a previously occupied premise that is now in the new connecting customer's name.

If the billing period for an initial bill is fewer than 11 days and no read was obtained, the customer is billed only a daily basic service charge, and any energy used during this period is included in the following month's billing period usage. If the billing period is 11 or more days, the bill is estimated as follows:

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: December 8, 2007

A.C.C. No. 57695633
Canceling A.C.C. No. 5633
Service Schedule 8
Original Revision No. 1
Effective: January 1, 2010 December 8, 2007



SERVICE SCHEDULE 8 BILL ESTIMATION

3.3.1 ENERGY USAGE (kWh):

If there is no usage history for the premise, a "minimum usage" estimate is multiplied by the number of days in the missing read billing period. The difference in energy used during this period and the "minimum usage" estimate is included in the following month's billing period usage. The "minimum usage" estimates for total kWh are:

Residential:

E-12 and E-10	23-25 kWh per day
EC-1	55 kWh per day
ET-1 and ET-2	41-47 kWh per day
ET-SP	47 kWh per day
ECT-1R and ECT-2	66-75 kWh per day

Non-residential:

Under 20 kW	45 kWh per day
Over 20 kW	1,156 kWh per day

NOTE: The minimum usage estimates specified above also apply to energy consumed by the Customer under rate schedules EPR-2 and EPR-5. Excess energy purchased by the utility will be estimated at zero for the initial bill.

Initial bill minimum energy usage estimates for total kWh listed above will be modified through general rate case or tariff filings or within three months whenever annual Load Research studies indicate that changes in these data are greater than 5%.

If there is usage history for the premise, energy will be estimated using the applicable method in Section 3.1. If there is no on-peak usage history for the premise, the allocations found in Section 3.1.1 will be utilized.

3.3.2 DEMAND (kW):

For those accounts where the missing read period is billed on a demand rate, demand is estimated as follows:

For initial bills fewer than 11 days, no demand charge is billed.

For initial bills 11 or more days, the kW is estimated using the same hierarchy as indicated in Section 3.2.

3.4 ADVANCED METER INFRASTRUCTURE (AMI) METERS

When a missing read occurs on an account with an AMI meter, an initial attempt to estimate will be performed using partial month data as available. AMI meter data is normally collected on a daily basis, and therefore would be used to compute an estimate for the billing month, even if some of these daily reads are missing.

3.4.1 For initial and normal bills of 11-24 days:



SERVICE SCHEDULE 8 BILL ESTIMATION

If the latest AMI meter data is available with a meter reading of 11 or more days since the last read date for the previous billing month:

- 1) Review the daily AMI incremental reads to determine the total energy consumption, on-peak percentage and demand for the billing month. Use reads from the latest AMI data to determine a per-day usage value and multiply by the number of days in the current billing period to yield the estimates for total and on-peak usage.
- 2) If the AMI meter data is unavailable use the estimation methods for non-AMI meters.

3.4.2 For initial and normal bills of 10 or less days, use the estimation methods described in Section 3.3.

3.5 DEAD OR FAILING METER

For accounts where it is determined the meter is dead or failing, no adjustment to the bill will be made until the new meter is in place at least 11 days. Then the usage for the previous month(s) is to be determined by taking the lower of the per day usage calculated from the new meter, less 3% (plus 3% for estimating customer-owned on-site generation bought by Utility), or the Same Month Prior Year Method described in Section 3.1. Charges for underbillings of dead or failing meters will be limited to three months for residential accounts and six months for non-residential accounts, in accordance with Schedule 1 Section 4.3. In instances where Company believes the customer's usage patterns were different during the dead or failing meter period than those being used to estimate, Company may adjust its estimate downward from either method.

3.6 ENERGY DIVERSION OR METER TAMPERING

In instances where energy diversion or meter tampering has occurred, meter reads from the customer's meter will not accurately reflect all of the energy usage. Energy consumption for the period during which the diversion or meter tampering occurred shall be estimated by calculating a per day usage based on the best available information. This may include 1) metered data obtained from an auxiliary meter installed during the diversion investigation; 2) meter information obtained from the customer's meter after the diversion or meter tampering was discovered by Company and stopped; and 3) consumption history for the customer or site prior to when the diversion or meter tampering began.

In some instances, the estimated consumption based on per day usage may be less than what the customer's meter actually registered during the time period. In those cases, the actual usage will be used in the calculation of the total energy diversion or meter tampering back bill.

3.7 NON-CUSTOMER INFORMATION SYSTEM ESTIMATES

In some instances, an account is coded to not be automatically estimated by Company's Customer Information System (CIS). This occurs when, due to special circumstances of the account (such as: served at substation voltage, receives a power allowance from a



SERVICE SCHEDULE 8 BILL ESTIMATION

federal agency, partial requirements/self-generation, etc.), manual intervention in the billing process is required. For those accounts which are coded to not be automatically estimated by the CIS, additional attempts may be made to obtain meter readings which will be used for billing. If reads are not obtained, then energy and demand will be estimated, using the applicable methods described in this Schedule.

3.8 REBILLS OF PREVIOUS ESTIMATES

In instances where the reads from the previous month are estimated and a subsequent actual read is obtained, the following "true-up" is performed.

3.8.1 ENERGY USAGE

If the actual read following an estimated read is either lower than the estimated read, or, in Company's opinion, considerably higher than the previously estimated read(s), then per day usage is calculated using the difference in kWh between the last actual read and the current month actual read. The per day usage is multiplied by the number of days in each estimated month and each affected month is rebilled using the new per day usage kWh.

3.8.2 DEMAND

If the actual demand read obtained after an estimate is lower than the estimated demand read, the previous month(s) estimated demand read(s) are lowered to the subsequent actual demand read.

The estimates used in this Section 3.8 take precedence over the estimating methods described elsewhere in this Service Schedule.



SERVICE SCHEDULE 10 TERMS AND CONDITIONS FOR DIRECT ACCESS

The following terms and conditions and any changes authorized by law will apply to Arizona Public Service Company (Company), Energy Service Providers (ESPs), and their agents that participate in Direct Access under the Arizona Corporation Commission's (ACC) rules for retail electric competition (A.A.C. R14-2-1601, et seq., referred to herein as the "Rules"). "Direct Access customer" refers to any Company retail customer electing to procure its electricity and any other ACC authorized Competitive Services directly from ESPs as defined in the Rules.

Customer Selections

All Company retail customers shall obtain service under one of two options:

1. **Standard Offer Service.** With this election, retail customers will receive all services from Company, including metering, meter reading, billing, collection and other consumer information services, at regulated rates authorized by the ACC. Any customer who is eligible for Direct Access who does not elect to procure Competitive Services shall remain on Standard Offer Service. Direct Access customers may also choose to return to Standard Offer Service after having elected Direct Access.
2. **Competitive Services (Direct Access).** This service election allows customers who are eligible for Direct Access to purchase electric generation and other Competitive services from an ACC certificated ESP. Direct Access customers with single premise demands greater than 20 kW or usage of 100,000 kWh annually will be required to have Interval Metering, as specified in Section 3.6.1. Pursuant to the Rules, and any restrictions herein, the ESP serving these customers will have options available for choosing to offer Meter Services, Meter Reading Services and/or Billing Services on their own behalf (or through a qualified third party), or to have Company provide those services when permitted as specified herein.

1. General Terms

1.1 **Definitions.** The definitions of principal terms used in this Schedule shall have the same meaning as ascribed to them in the Rules, unless otherwise expressly stated in this Schedule.

1.1.1 **Customer** - Unless otherwise stated, all references to Customer in this agreement refer to Company customers who are eligible for and have elected Direct Access.

1.1.2 **Service Account** - Unless otherwise stated, all references to "Service Account" in this agreement shall refer to an installed service, identified by a Universal Node Identifier (UNI).

1.1.3 **Local Arizona Time** - All time references in this Schedule are in Local Arizona Time, which is Mountain Standard Time (MST).

2. General Obligations of Company

2.1 Non-Discrimination

2.1.1 Company shall discharge its responsibilities under the Rules in a non-discriminatory manner as to providers of all Competitive Services. Unless otherwise authorized by the ACC, the Federal Energy Regulatory Commission ("FERC") or applicable affiliate transactions rules, Company shall not:

- 2.1.1.1 Represent that its affiliates or customers of its affiliates will receive any different treatment with regard to the provision of Company services than other, unaffiliated services providers as a result of affiliation with Company; or



SERVICE SCHEDULE 10 TERMS AND CONDITIONS FOR DIRECT ACCESS

- 2.1.1.2 Provide its affiliates, or customers of its affiliates, any preference based on the affiliation including but not limited to terms and conditions of service, information, pricing or timing over non-affiliated suppliers or their customers in the provision of Company services.

2.2 Transmission and Distribution Service

Company will offer transmission and distribution services under applicable tariffs, schedules and contracts for delivery of electric generation to Direct Access customers under the provisions of State law, the terms of the ACC's Rules and Regulations, this Schedule, the ESP Service Acquisition Agreement, applicable tariffs and applicable FERC rules.

3. General Obligations of ESPs

3.1 Timeliness, Due Diligence and Security Requirements

- 3.1.1 ESPs shall exercise due diligence in meeting their obligations and deadlines under the Rules to facilitate customer choice. ESPs shall make all payments owed to Company in a timely manner.
- 3.1.2 ESPs shall adhere to all credit, deposit and security requirements specified in the ESP Service Acquisition Agreement and Company tariffs and schedules.

3.2 Arrangements with ESP Customers

ESPs shall be solely responsible for having appropriate contractual or other arrangements with their customers necessary to implement Direct Access. Company shall not be responsible for monitoring, reviewing or enforcing such contracts or arrangements.

3.3 Responsibility for Electric Purchases

ESPs will be responsible for the purchase of their Direct Access customers' electric generation needs and the delivery of such purchases to designated receipt points as set forth on schedules given to the Scheduling Coordinators ("SCs").

3.4 Company Not Liable for ESP Services

To the extent the customer elects to procure services from an ESP, Company has no obligations to the customer with respect to the services provided by the ESP.

3.5 Load Aggregation for Procuring Electric Generation/Split Loads

- 3.5.1 ESPs may aggregate individually-metered electric loads for procuring competitive electric generation only. Load aggregation shall not be used to compute Company charges or for tariff applicability.
- 3.5.2 Customers requesting Direct Access Services may not partition the electric loads of a Service Account among electric service options or providers. The entire load of a Service Account must be provided by only one (1) ESP. This provision shall not restrict the use of separate parties for metering and billing services.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

3.6 Interval Metering

3.6.1 "Interval Metering" refers to the purchase, installation and maintenance of electricity metering equipment capable of measuring and recording minimum data requirements, including hourly interval data required for Direct Access settlement processes and distribution billing. Interval Metering is required for all customers that elect Direct Access and reach a single site maximum demand in excess of 20 kW one or more times or annual usage of 100,000 kWh or more. Interval Metering is provided by the ESP, at no cost to Company. Interval Metering is optional for those customers with single site maximum demands that are 20 kW or less or annual usage of less than 100,000 kWh.

3.6.2. Company shall determine if Customer meets the requirements for Interval Metering based on historical data, or an estimated calculation of the demand and/or usage for new customers.

3.7 Meter Data Requirements

Minimum meter data requirements consist of data required to bill Company distribution tariffs and determine transmission settlement. Company shall have access to meter data necessary for regulatory purposes or rate-setting purposes pursuant to mutually agreed upon terms with the ESP for such data access.

3.8 Statistical Load Profiles

Company will offer statistical load profiles in place of Interval Metering, for qualifying Customers to estimate hourly consumption for settlement and scheduling purposes. Statistical load profiles will be applied as authorized by FERC.

3.9 Fees and Other Charges

Direct Access customers shall pay all applicable fees, surcharges, impositions, assessments and taxes on the sale of energy or the provisions of other services as authorized by law. The ESP and Company will each be respectively responsible for paying such fees to the taxing or regulatory agency to the extent it is their obligation to do so. Both the ESP and Company will be responsible for providing the authorized billing agent the information necessary to bill these charges to the customer.

3.10 Liability In Connection With ESP Services

3.10.1 "Damages" shall include all losses, harm, costs and detriment, both direct and indirect, and consequential, suffered by Customer or third parties.

3.10.2 Company shall not be liable for any damages caused by Company conduct in compliance with, or as permitted by, Company's electric rules and tariffs, the ESP Service Acquisition Agreement, the Rules, and associated legal and regulatory requirements related to Direct Access service, or as otherwise set forth in Company's Schedule #1.

3.10.3 Company shall not be liable for any damages caused to Customer by any ESP, including failure to comply with Company's electric rules and tariffs, the ESP Service Acquisition Agreement, the Rules, and associated legal and regulatory requirements related to Direct Access service.

3.10.4 Company shall not be liable for any damages caused by the ESP's failure to perform any commitment to Customer.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

3.10.5 An ESP is not a Company agent for any purpose. Company shall not be liable for any damages resulting from acts, omissions, or representations made by an ESP in connection with soliciting customers for Direct Access or rendering Competitive Services.

3.10.6 Under no circumstances shall Company be liable to Customer, ESP (including any entity retained by it to provide competitive services to the customer) or third parties for lost revenues or profits, indirect or consequential damages or punitive or exemplary damages in connection with Direct Access Services. This provision shall not limit remedies otherwise available to customers under Company's schedules and tariffs and applicable laws and regulations.

4. Customer Inquiries and Data Accessibility

4.1 Customer Inquiries – For customers requesting information on Direct Access, Company shall make available the following information:

4.1.1 Materials to consumers about competition and consumer choices.

4.1.2 A list of ESPs that have been issued a Certificate of Convenience and Necessity to offer Competitive Services within Company's service territory. Company will provide the list maintained by the ACC, but Company is under no obligation to assure the accuracy of this list. Reference to any particular ESP or group of ESPs on the list shall not be considered an endorsement or other form of recommendation by Company.

4.2 Access to Customer Usage Data. For Company customers on Standard Offer Service, Company shall provide customer specific usage data to ESP or to Customer, subject to the following provisions:

4.2.1 ESPs may request Customer usage data prior to submission of a Direct Access Service Request ("DASR") by obtaining and submitting to Company the Customer's written authorization on a Customer Information Service Request ("CISR") form. Company may charge for customer usage data at rates approved by the ACC.

4.2.2 Company will provide the most recent twelve (12) months of customer usage data or the amount of data available for that Customer if there is less than twelve (12) months of usage history.

4.3 Customer Inquires Concerning Billing Related Issues

4.3.1 Customer inquiries concerning Company charges or services shall be directed to Company.

4.3.2 Customer inquiries concerning ESP charges or services shall be directed to the ESP.

4.4 Customer Inquiries Related to Emergency Situations and Outages

4.4.1 Company shall be responsible for responding to all Standard Offer Service or, in the case of Direct Access customers, distribution service emergency system conditions, outages and safety situation inquiries related to Company's distribution system. Customers contacting an ESP with such inquiries are to be referred directly to Company for resolution. ESPs performing consolidated billing must show Company's emergency telephone number on their bills.

4.4.2 Company may shed or curtail customer load as provided by its ACC-approved tariffs and schedules, or by other ACC rules and regulations.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

5. ESP Service Establishment

- 5.1 Before the ESP or its agents can offer Direct Access services in Company's distribution service territory they must meet the applicable provisions as listed:
- 5.1.1 All ESPs must obtain a Certificate of Convenience and Necessity from the ACC which authorizes the ESP to offer Competitive Services in Company's distribution service territory.
 - 5.1.2 All ESPs must register to do business in the State of Arizona and obtain all other licenses and registrations needed as a legal predicate to the ESP's ability to offer Competitive Services in Company's distribution service territory.
 - 5.1.3 Load Serving ESPs must satisfy creditworthiness requirements as specified in the ESP Service Acquisition Agreement if the ESP chooses the ESP Consolidated Billing option. If the ESP chooses Company UDC Consolidated Billing, they must enter into a Customized Billing Services Agreement.
 - 5.1.4 Load Serving ESPs must enter into an ESP Service Acquisition Agreement with Company.
 - 5.1.5 All ESPs must satisfy any applicable ACC electronic data exchange requirements including:
 - 5.1.5.1 The ESP and/or its designated agents must complete to Company's satisfaction all necessary electronic interfaces between the ESP and Company to exchange DASRs and general communications.
 - 5.1.5.2 The ESP or its agent must complete to Company's satisfaction all electronic interfaces between the ESP and Company to exchange meter reading and usage data. This includes communication to and from the Meter Reading Service Provider's (MRSP) server for sharing of meter reading and usage data.
 - 5.1.5.3 The ESP must have the capability to electronically exchange data with Company. Alternative arrangements may be acceptable at Company's option.
 - 5.1.5.4 The ESP and its agents must use Electronic Data Interchange (EDI) using Arizona Standard Formats to exchange billing and remittance data with Company when offering ESP Consolidated Billing or Company UDC Consolidated Billing. The ESP and its agents must use the Arizona Standard Format to exchange meter reading data with Company when providing meter reading services. Alternative arrangements may be allowed at Company's option.
 - 5.1.6 For Company UDC Consolidated Billing or ESP Consolidated Billing options, compliance testing is required. Both parties must demonstrate the ability to perform data exchange functions required by the ACC and the ESP Service Acquisition Agreement. Any change of the billing agent will require a revalidation of the applicable compliance testing. Provided the ESP is acting diligently and in good faith, its failure to complete such compliance testing shall not affect its ability to offer electric generation to Direct Access customers. Dual Company/ESP Billing will be performed until the compliance testing is completed to Company's satisfaction.
 - 5.1.7 Compliance testing will be required for a MRSP when providing meter reading services to ensure that meter data can be delivered successfully. Any change of the MRSP's system, or any change to



SERVICE SCHEDULE 10 TERMS AND CONDITIONS FOR DIRECT ACCESS

the Arizona Standard 867 EDI format, will require a revalidation of the applicable compliance testing.

6. Direct Access Service Request (DASR)

- 6.1 A DASR is submitted pursuant to the terms and conditions of the Arizona DASR Handbook, the ESP Service Acquisition Agreement and this section, and shall also be used to define the Competitive Services that the ESP will provide the customer.
- 6.2 ESPs shall have a CC&N from the ACC; shall have entered into an ESP Service Acquisition Agreement with Company, if required, and shall have successfully completed data exchange compliance testing before submitting DASRs.
- 6.3 The customer's authorized ESP must submit a completed DASR to Company before Customer can be switched from Standard Offer Service or Competitive Service provided by another ESP. The DASR process described herein shall be used for customer Direct Access elections, updates, cancellations, customer-initiated returns to Company Standard Offer Service, or requests for physical disconnection of service and ESP- or customer-initiated termination of an ESP/customer service agreement.
- 6.4 A separate DASR must be submitted for each service delivery point. Each of the five (5) DASR operation types [Request (RQ), Termination of Service Agreement (TS), Physical Disconnect (PD), Cancel (CL) and Update/Change (UC)] has specific field requirements that must be fully completed before the DASR is submitted to Company. A DASR that does not contain the required field information or is otherwise incomplete may be rejected. In accordance with the provisions of the applicable Service Acquisition Agreement, Company may deny the ESP or customer request for service if the information provided in the DASR is false, incomplete, or inaccurate in any material respect. ESPs filing DASRs are thereby representing that they have their customer's authorization for such transaction.
- 6.5 Company requires that DASRs be submitted electronically using Electronic Data Interchange (EDI) or Comma Separated Value (CSV) formats through the Company's web site (<http://esp.apsc.com>).
- 6.6 DASRs will be handled on a first-come, first-served basis. Each request shall be time and date stamped when received by Company.
- 6.7 Once the DASR is submitted, the following timeframes will apply:
 - 6.7.1 Company will respond to RQ, TS, CL and UC DASRs within two (2) working days of the time and date stamp. Company will exercise best efforts (no later than five (5) working days) to provide the ESP with a DASR status notification informing them whether the DASR has been accepted, rejected or placed in a pending status awaiting further information. If accepted, the effective switch date will be determined in accordance with Sections 6.8, 6.9, and 6.12 and will be confirmed in the response to the ESP and the former ESP if applicable. If a DASR is rejected, Company shall provide the reasons for the rejection. If a DASR is held pending further information, it shall be rejected if the DASR is not completed with the required information within thirty (30) working days, or a mutually agreed upon date, following the status notification. Company will send written notification to the customer once the RQ DASR has been processed.
 - 6.7.2 When a customer requests electric services to be disconnected, the ESP is responsible for submitting a PD DASR to Company on behalf of the customer, regardless of the Meter Service Provider (MSP).



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

- 6.7.2.1 When Company is acting as the MSP, Company shall perform the physical disconnect of the service. The PD DASR must be received by Company at least three (3) working days prior to the requested disconnect date. Company will acknowledge the PD DASR status within two (2) working days of the time and date stamp.
- 6.7.2.2 When Company is not acting as the MSP, the ESP is responsible for performing the physical disconnect. The ESP shall notify Company by DASR of the date of the physical disconnect. Disconnect reads must be posted to the server within three (3) working days following the disconnection.
- 6.8 DASRs that do not require a meter exchange must be received by Company at least fifteen (15) calendar days prior to the next scheduled meter read date. The actual meter read date would be the effective switch date. DASRs received less than fifteen (15) calendar days prior to the next scheduled meter read date will be scheduled for switch to Direct Access on the following month's read date.
- 6.9 DASRs that require a meter exchange will have an effective change date to Direct Access as of the meter exchange date. Notification of meter exchange dates shall be coordinated between the ESP, MSP and Company's Meter Activity Coordinator ("MAC").
- 6.10 If more than one (1) RQ DASR is received for a service delivery point within a Customer's billing cycle, only the first valid DASR received shall be processed in that period. All subsequent DASRs shall be rejected.
- 6.11 Upon acceptance of an RQ DASR, a maximum of twelve (12) months of customer usage data, or the available usage for that customer switching from Standard Offer, shall be provided to the ESP. If there is an existing ESP currently serving that customer, that ESP shall be responsible for submitting the customer usage data to the new ESP. In both cases, the customer usage data will be submitted to the appropriate ESP no later than five (5) working days before the scheduled switch date.
- 6.12 Customers returning to Company Standard Offer service must contact their ESP. The ESP shall be responsible for submitting the DASR on behalf of the customer.
- 6.13 ESPs requesting to return a Direct Access customer to Company Standard Offer service shall submit a TS DASR and shall be responsible for the continued provision of the customer's electric supply service, metering, and billing services until the effective change date.
- 6.14 Customers requesting to return to Company Standard Offer service are subject to the same timing requirements as used to establish Direct Access service. Direct Access customers returning to Company Standard Offer service may be subject to the RCDAC-1.
- 6.15 Company may assess a fee for processing DASRs. All fees are payable to Company within fifteen (15) calendar days after the invoice date. All unpaid fees received after this date will be assessed applicable late fees pursuant to Schedule 1. If an ESP fails to pay these fees within thirty (30) days after the due date, Company may suspend accepting DASRs from the ESP unless a deposit sufficient to cover the fees due is currently available or until such time as the fees are paid. If an ESP is late in paying fees, a deposit or an additional deposit may be required from the ESP.
- 6.16 A customer moving to new premises may retain or start Direct Access immediately. The customer must first contact Company to establish a Service Account. The customer will be provided the necessary information that will enable its ESP to submit a DASR. The same timing requirements apply as set forth in Section 6.8 and 6.9.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

- 6.17 Billing and metering option changes are requested through a UC DASR and cannot be changed more than once per billing cycle.
- 6.18 Company shall not hold the ESP responsible for any customer unpaid billing charges prior to the customer's switch to Direct Access. Unpaid billing charges shall not delay the processing of DASRs and shall remain the customer's responsibility to pay Company. Company's Schedule 1 applies in the event of customer non-payment, which includes the possible disconnection of distribution services. Company shall not accept any DASRs submitted for customers who have been terminated for nonpayment and have not yet been reinstated. Disconnection by Company of a delinquent customer shall not make Company liable to the ESP or third-parties for the customer's disconnection.
- 6.19 Company shall not accept DASRs that specify a switch date of more than sixty (60) calendar days from the date the DASR is submitted.

7. Billing Service Options and Obligations

- 7.1 Subject to availability, and pursuant to the terms in the ESP Service Acquisition Agreement, this Schedule 10, and applicable tariffs and the restrictions therein, ESPs may select among the following billing options:

- 7.1.1 COMPANY UDC CONSOLIDATED BILLING
- 7.1.2 ESP CONSOLIDATED BILLING
- 7.1.3 DUAL COMPANY/ESP BILLING

7.2 COMPANY UDC CONSOLIDATED BILLING

- 7.2.1 The customer's authorized ESP sends its bill-ready data to Company, and Company sends a consolidated bill containing both Company and ESP charges to the Customer.

7.2.2 Company Obligations:

- 7.2.2.1 Company shall bill the ESP charges and send the bill either by mail or electronic means to the customer. Company is not responsible for computing or determining the accuracy of the ESP charges. Company is not required to estimate ESP charges if the expected bill ready data is not received nor is Company required to delay Company billing. Billing rendered on behalf of the ESP by Company shall comply with A.A.C. R14-2-1612.

- 7.2.2.2 Company bills shall include in Customer's bill a detailed total of ESP charges and applicable taxes, assessments and billed fees, the ESP's name and telephone number, and other information provided by the ESP.

- 7.2.2.3 If Company processes Customer payments on behalf of the ESP, the ESP shall receive payment for its charges as specified in Section 7.7.

7.2.3 ESP Obligations

- 7.2.3.1 Once a billing election is in place as specified in the ESP Service Acquisition Agreement, the ESP may offer Company UDC Consolidated Billing services to Direct Access customers pursuant to the terms and conditions of the applicable ACC approved tariff.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

7.2.3.2 The ESP shall submit the necessary billing information to facilitate billing services under this billing option by Service Account, according to Company's meter reading schedule, and pursuant to the applicable tariff. Timing of billing submittals is provided for in Section 7.2.4 below.

7.2.4 Timing Requirements

7.2.4.1 Bills under this option will be rendered once a month. Nothing contained in this Schedule shall limit Company's ability to render bills more frequently consistent with Company's existing practices. However, if Company renders bills more frequently than once a month, ESP charges need only to be calculated based on monthly billing periods.

7.2.4.2 Except as provided in Section 7.2.4.1, Company shall require that all ESP and Company charges be based on the same billing period data.

7.2.4.3 ESP charges for normal monthly customer billing and any adjustments for prior months' metering or billing errors must be received by Company in EDI "810" format no later than 4:00 p.m. Local Arizona Time on the third working day following the Last Meter Read/First Bill Date. If billing charges have not been received from the ESP by this deadline, Company will render a bill for Company charges only. The ESP must wait until the next billing cycle, unless there is a mutual agreement for Company to send an interim bill. If Company renders the bill for Company charges only, Company will include a note on the bill stating that ESP charges will be forthcoming. An interim bill issued pursuant to this Section may also include a message that Company charges were previously billed.

7.2.4.4 ESP charges for a Physical Disconnect Final Bill must be received by 4:00 p.m. Local Arizona Time on the sixth working day following the actual disconnect date. If final billing charges have not been received from the ESP by this date, Company will render the customer's final bill for Company charges only, without the ESP's final charges. If Company renders the bill for Company charges only, Company will include a note on the bill stating that ESP charges will be forthcoming. The ESP must send the final charges to Company. Company will produce and send a separate bill for the final billing charges.

7.2.5 Restrictions

Company UDC Consolidated Billing shall be an option for individual customer bills only, not an aggregated group of customers. Nothing in this Section precludes each individual customer in an aggregated group, however, from receiving the customer's individual bills under Company UDC Consolidated Billing.

7.3 ESP CONSOLIDATED BILLING

7.3.1 Company calculates and sends its bill-ready data to the ESP. The ESP in turn sends a consolidated bill to its customer. The ESP shall be obligated to provide the customer detailed Company charges to the extent that the ESP receives such detail from Company. The ESP is not responsible for the accuracy of Company charges.

7.3.2 Company Obligations:

7.3.2.1 Company shall calculate all its charges once per month based on existing Company billing cycles and provide these to the ESP to be included on the ESP consolidated bill or as



SERVICE SCHEDULE 10 TERMS AND CONDITIONS FOR DIRECT ACCESS

otherwise specified. Company and the ESP may mutually agree to alternative options for the calculation of Company charges.

7.3.2.2 Company shall provide the ESP with sufficient detail of its charges, including any adjustments for prior months' metering and billing error, by EDI "810" format. Company charges that are not transmitted to the ESP by 4:00 p.m. Local Arizona Time on the third working day following the Last Meter Read/First Bill Date need not be included in the ESP's bill. If Company's billing charges have not been received by such date, the ESP may render the bill without Company charges unless there is a mutual agreement to have the ESP send an interim bill to the customer including Company charges. The ESP will include a message on the bill stating that Company charges are forthcoming.

7.3.2.3 For a Physical Disconnect Final Bill, Company will provide the ESP with Company's final bill charges by 4:00 p.m. Local Arizona Time on the sixth working day following the actual disconnect date. If Company's billing charges have not been received by such date, the ESP may render the bill without Company charges. The ESP shall include a message on the bill stating that Company charges are forthcoming. Company will send the final bill charges to the ESP, and the ESP will produce and deliver a separate bill for Company charges.

7.3.3 ESP Obligations:

7.3.3.1 Once an ESP Service Acquisition Agreement is entered into, including an appropriate billing election, and all other applicable prerequisites are met, the ESP may offer consolidated billing services to Direct Access customers they serve.

7.3.3.2 The ESP bill shall include any billing-related details of Company charges. Company charges may be printed with the ESP bill or electronically transmitted. Billing rendered on behalf of Company by the ESP shall comply with A.A.C. R14-2-1612.

7.3.3.3 Other than including the billing data provided by Company on the customer's bill, the ESP has no obligations regarding the accuracy of Company charges or for disputes related to these charges. Disputed charges shall be handled according to ACC procedures.

7.3.3.4 The ESP shall process customer payments and handle collection responsibilities. Under this billing option, the ESP must pay all charges due to Company and not disputed by the customer as specified in Section 7.7.2.1.

7.3.3.5 Subject to the limitations of this Section and with the written consent of the Customer, the ESP may offer customers customized billing cycles or payment plans which permit the Customer to pay the ESP for Company charges in different amounts than Company charges to the ESP for any given billing period. Such plans shall not, however, affect in any manner the obligation of the ESP to pay all Company charges in full. Should Customer select an optional payment plan, all Company charges must be billed in accordance with A.A.C. R14-2-210(G).

7.3.4 Timing Requirements

ESPs may render bills more or less frequently than once a month. However, Company shall continue to bill the ESP each billing cycle period for the amounts due by the customer for that billing month.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

7.4 DUAL COMPANY/ESP BILLING

Company and the ESP each separately bill the customer directly for services provided by them. The billing method is the sole responsibility of Company and the ESP. Company and the ESP shall process only the customer payments relating to their respective charges.

7.5 Billing Information and Inserts

7.5.1 All customers, including Direct Access customers, shall receive mandated legal, safety and other notices equally in accordance with A.A.C. R14-2-204 (B). If the ESP is providing consolidated billing, Company shall make available one (1) copy of these notices to the ESP for distribution to customers or, at the ESP's request, in electronic format to the ESP for production and communication to electronically billed Customers. If Company is providing Consolidated billing services, Company shall continue to provide these notices.

7.5.2 Under Company UDC Consolidated Billing, ESP bill inserts may be included pursuant to the applicable Company tariff.

7.6 Billing Adjustments for Meter and Billing Error

7.6.1 Meter and Billing Error

7.6.1.1 The MSP (including the ESP or Company if providing such services) shall resolve any meter errors and must notify the ESP and Company, as applicable, so any billing adjustments can be made. All other affected parties, including the appropriate Scheduling Coordinator, shall be notified by the ESP.

7.6.1.2 A billing error is the incorrect billing of Customer's energy or demand. If the MSP, MRSP, ESP or Company becomes aware of a potential billing error, the party discovering the billing error shall contact the ESP and Company, as applicable, to investigate the error. If it is determined that there is in fact a billing error, the ESP and Company will make any necessary adjustments and notify all other affected parties in a timely manner.

7.6.1.3 Company UDC Consolidated Billing

7.6.1.3.1 Company shall be responsible for notifying Customer and adjusting the bill for its charges to the extent those charges were affected by the meter or billing error.

7.6.1.3.2 The ESP shall be responsible for any recalculation of the ESP charges. Following the receipt of the recalculated charges from the ESP, the charges or credits will be applied to Customer's next normal monthly bill, unless there is mutual agreement to have Company send an interim bill to the Customer including the ESP's charges.

7.6.1.4 ESP Consolidated Billing

7.6.1.4.1 The ESP shall be responsible for notifying the Customer and adjusting the bill for ESP charges to the extent those charges were affected by the meter or billing error. The Customer shall be solely responsible for obtaining refunds of ESP electric generation overcharges from its current and prior ESPs, as appropriate.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

7.6.1.4.2 Company shall transmit its adjusted charges and any refunds to the ESP with Customer's next normal monthly bill. The ESP shall apply the charges to Customer's next normal monthly bill, unless there is a mutual agreement to have the ESP send an interim bill to Customer including Company charges.

7.6.1.5 Dual Company/ESP Billing

7.6.1.5.1 Company and the ESP shall be separately responsible for notifying Customer and adjusting its respective bill for their charges.

7.7 Payment and Collection Terms

7.7.1 Company UDC Consolidated Billing

7.7.1.1 Company shall remit payments to the ESP for the total ESP charges collected from Customer within three (3) working days after Customer's payment is received. Company is not required to pay amounts owed to the ESP for ESP charges billed but not received by Company.

7.7.1.2 Customer is obligated to pay Company for all undisputed Company and ESP charges consistent with existing tariffs and other contractual arrangements for service between the ESP and the customer.

7.7.1.3 The ESP is responsible for all collections related to the ESP services on the Customer's bill, including, but not limited to, security deposits and late charges unless otherwise agreed upon in the customized billing services agreement between ESP and Company.

7.7.1.4 Payment for any Company charges for Consolidated Billing is due in full from the ESP within fifteen (15) calendar days of the date Company charges are rendered to the ESP. Any payment not received within this time frame will be assessed applicable late charges pursuant to Schedule 1. If an ESP fails to pay these charges prior to the next billing cycle, Company may revert the billing option for that ESP's customers to Dual Billing pursuant to Section 7.10.4. If an ESP is late in paying charges a deposit or additional deposit as provided for in Section 7.11 may be required.

7.7.2 ESP Consolidated Billing

7.7.2.1 Payment is due in full from the ESP within fifteen (15) calendar days after the date Company's charges are rendered to the ESP. The ESP shall pay all undisputed Company charges regardless of whether Customer has paid the ESP. All payments received after fifteen (15) calendar days will be assessed applicable late charges pursuant to Schedule 1. If an ESP fails to pay these charges prior to the next billing cycle, Company may revert the billing option for that ESP's customers to Dual Billing pursuant to Section 7.10.4. If an ESP is late in paying charges a deposit or additional deposit as provided for in Section 7.11 may be required.

7.7.2.2 Company shall be responsible for any follow-up inquiries with the ESP if there is question concerning the payment amount.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

7.7.2.3 Company has no payment obligations to the ESP for Customer payments under ESP Consolidated Billing services.

7.7.3 Dual Company/ESP Billing

Company and the ESP are separately responsible for collection of Customer payment for their respective charges.

7.8 Late or Partial Payments and Unpaid Bills

7.8.1 Company UDC Consolidated Billing

7.8.1.1 Company shall not be responsible for ESP's Customer collections, collecting the unpaid balance of ESP charges from Customers, sending notices informing Customers of unpaid ESP balances, or taking any action to recover the unpaid amounts owed the ESP. The ESP shall assume any collection obligations and/or late charge assessments for late or unpaid balances related to ESP charges under this billing option.

7.8.1.2 All Customer payments shall be applied first to unpaid balances identified as Company charges until such balances are paid in full, then applied to ESP charges. A Customer may dispute charges as provided by A.A.C. R14-2-212, but a Customer will not otherwise have the right to direct partial payments between Company and the ESP.

7.8.1.3 ACC rules shall apply to late or non-payment of all Company customer charges. Undisputed Company delinquent balances owed on a customer account shall be considered late and subject to Company late payment procedures.

7.8.2 ESP Consolidated Billing

The ESP shall be responsible for collecting both unpaid ESP and Company charges, sending notices informing Customers of unpaid ESP and Company balances, and taking appropriate actions

to recover the amounts owed. Company shall not assume any collection obligations under this billing option and ESP is liable to Company for all undisputed payments owed Company.

7.8.3 Dual Company/ESP Billing

Company and the ESP are responsible for collecting their respective unpaid balances, sending notices to Customers informing them of the unpaid balance, and taking appropriate actions to recover their respective unpaid balances. Customer disputes with ESP charges must be directed to the ESP and Customer disputes with Company charges must be directed to Company.

7.9 Service Disconnects and Reconnects

In accordance with ACC rules, Company has the right to disconnect electric service to the Customer for a variety of reasons, including, but not limited to, the non-payment of Company's final bills or any past due charges by Customer, or evidence of safety violations, energy theft, or fraud, by Customer. The following provides for service disconnects and reconnects.

7.9.1 Company shall notify Customer and Customer's ESP of Company's intent to disconnect electric service for the non-payment of Company charges prior to disconnecting electric service to the



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

Customer. Company shall further notify the ESP at the time Customer has been disconnected. To the extent authorized by the ACC, a service charge shall be imposed on Customer if a field call is performed to disconnect electric service.

7.9.2 Company shall reconnect electric service for a fee when the criteria for reconnection have been met to Company's satisfaction. Company shall notify the ESP of a Customer's reconnection.

7.9.3 Company shall not disconnect electric service to Customer for the non-payment of ESP charges by Customer. In the event of non-payment of ESP charges by Customer, the ESP may submit a DASR requesting termination of the service agreement and request return to Company Standard Offer Service. Company will then advise the Customer that they will be placed on Company Standard Offer Service unless a DASR is received from another ESP on their behalf.

7.10 Involuntary Service Changes

7.10.1 A Customer may have its service of electricity, billing, or metering from an ESP changed to another provider, including Company, involuntarily in the following circumstances:

7.10.1.1 The ACC has decertified the ESP or the ESP otherwise receives an ACC order that prohibits the ESP from serving the customer.

7.10.1.2 The ESP, including its agents, has materially failed to meet its obligations under the terms of its ESP Service Acquisition Agreement with Company (including applicable tariffs and schedules) so as to constitute an Event of Default under the terms of the ESP Service Acquisition Agreement, and Company exercises its contractual right to terminate the ESP Service Acquisition Agreement.

7.10.1.3 The ESP has materially failed to meet its obligations under the terms of the ESP Service Acquisition Agreement (including applicable tariffs and schedules) so as to constitute an Event of Default and Company exercises a contractual right to change billing options.

7.10.1.4 The ESP ceases to perform by failing to provide schedules through a Scheduling Coordinator whenever such schedules are required, or the ESP fails to have a Service Acquisition Agreement in place with a Scheduling Coordinator.

7.10.1.5 The Customer fails to meet its Direct Access requirements and obligations under the ACC rules and Company tariffs and schedules.

7.10.2 Change of Service Election in Exigent Circumstances

In the event Company finds that an ESP or the Customer has materially failed to meet its obligations under this Schedule or the ESP Service Acquisition Agreement such that Company elects to invoke its remedies under Section 7.10 (other than termination of ESP Consolidated Billing under Section 7.10.1.3) and the failure constitutes an emergency (defined as posing a substantial threat to the reliability of the electric system or to public health and safety), or the failure relates to ESP's sale of unscheduled energy, Company may initiate a change in the Customer's service election, or terminate an ESP's ability to offer certain services under Direct Access. In such case, Company shall initiate the change or termination by preparing a DASR, but the change or termination may be made immediately notwithstanding the applicable DASR



SERVICE SCHEDULE 10 TERMS AND CONDITIONS FOR DIRECT ACCESS

processing times set forth in this Schedule. Company shall provide such notice and opportunity to remedy the problem if there are reasonable circumstances prevailing. Additionally, Company shall notify the ACC of the circumstances that required the change or the termination and the resulting action taken by Company. The ESP and/or Customer shall have the right to seek an order from the ACC restoring the customer's service election and/or the ESP's ability to offer services. Unless expressly ordered by the ACC, the provisions of this section shall not disconnect electric service provided to Customer other than as provided in Section 4.4.2.

7.10.3 Change in Service Election Absent Exigent Circumstances

7.10.3.1 In the event Company finds that an ESP has materially failed to meet its obligations under this Schedule or the ESP Service Acquisition Agreement such that Company seeks to invoke its remedies under Section 7.10 (other than termination of ESP Consolidated Billing under Section 7.10.1.3), and the failure does not constitute an emergency (as defined in Section 7.10.2) or involve an ESP's unauthorized energy use, Company shall notify the ESP and the ACC of such finding in writing stating the following:

- 7.10.3.1.1 The nature of the alleged failure;
- 7.10.3.1.2 The actions necessary to remedy the failure;
- 7.10.3.1.3 The name, address and telephone number of a contact person at the Company authorized to discuss resolution of the failure.

7.10.3.2 The ESP shall have thirty (30) calendar days from receipt of such notice to remedy the alleged failure or reach an agreement with Company regarding the alleged failure. If the failure is not remedied and no agreement is reached between Company and the ESP

following this thirty (30) day period, Company may initiate the DASR process set forth in this Schedule to accomplish its remedy and shall notify the customers of such remedy. Unless expressly ordered by the ACC, the provisions of this section shall not disconnect electric service provided to the customer other than as provided in Section 4.4.2.

7.10.4 Termination of ESP Consolidated Billing

7.10.4.1 Company may terminate ESP Consolidated Billing under the following circumstances:

7.10.4.1.1 The Company shall notify affected Customers that ESP Consolidated Billing services will be terminated, and the Company may switch affected Customers to Dual Company/ESP billing as promptly as possible if any of the following occur:

- 7.10.4.1.1.1 Company finds that the information provided by the ESP in the ESP Service Acquisition Agreement is materially false, incomplete, or inaccurate.
- 7.10.4.1.1.2 The ESP attempts to avoid payment of Company charges.
- 7.10.4.1.1.3 The ESP files for bankruptcy.
- 7.10.4.1.1.4 The ESP fails to have an involuntary bankruptcy proceeding filed against the ESP dismissed within sixty (60) calendar days.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

- 7.10.4.1.1.5 The ESP admits insolvency.
- 7.10.4.1.1.6 The ESP makes a general assignment for the benefit of creditors.
- 7.10.4.1.1.7 The ESP is unable to pay its debts as they mature.
- 7.10.4.1.1.8 The ESP has a trustee or receiver appointed over all, or a substantial portion, of its assets.

7.10.4.1.2 If the ESP fails to pay Company (or dispute payment pursuant to the procedures set forth in this Schedule) the full amount of all Company charges and fees by the applicable due date, Company shall notify the ESP of the past due amount within two (2) working days of the applicable past due date. If the ESP incurs late charges on more than two (2) occasions or fails to pay overdue amounts including late charges within five (5) working days of the receipt of notice by Company, Company may notify the ESP's customers and the ESP that ESP Consolidated Billing services will be terminated, and that Customers shall be switched to Dual Billing.

7.10.4.1.3 If the ESP fails to comply within thirty (30) calendar days of the receipt of notice from Company of any additional credit, security or deposit requirements set forth in Sections 5.1.3 and 7.11, Company may notify the ESP that ESP Consolidated Billing services will be terminated, and that Customers shall be switched to Dual Billing.

7.10.4.2 Upon termination of ESP Consolidated Billing pursuant to Section 7.10.4, Company may deliver a separate bill for all Company charges which were not previously billed by the ESP.

7.10.4.3 Company may reinstate the ESP's eligibility to engage in ESP Consolidated Billing upon a reasonable showing by the ESP that the problems causing the revocation of ESP Consolidated Billing have been cured, including payment of any late charges, reestablishing credit requirements in compliance with Sections 5.1.4 and 7.11, and payment to Company of all costs-associated with changing ESP customers' billing elections to and from dual billing.

7.10.4.4 In the event Company terminates ESP Consolidated Billing, Company will return any security posted by the ESP pursuant to the ESP Service Acquisition Agreement.

7.10.5 Termination of Company UDC Consolidated Billing

7.10.5.1 Company may terminate Company UDC Consolidated Billing and revert to Dual Billing upon providing thirty (30) calendar days notice to an ESP if ESP fails to pay Company charges in connection with Company UDC Consolidated Billing or otherwise fails to comply with its obligations under Section 7.2.

7.10.5.2 Company may terminate Consolidated Billing upon providing thirty (30) days notice to an ESP if Company cancels or changes the tariff governing Company UDC Consolidated Billing.

7.10.6 Upon termination of ESP Direct Access services pursuant to Section 7.10, the provision of the affected service(s) shall be assumed by another eligible ESP from which the Customer elects to



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

obtain the affected service(s). Absent an election by Customer, Company shall provide such services, until such time that Customer makes an election.

- 7.10.7 Company shall not use involuntary service changes in an anticompetitive or discriminatory manner.

7.11 ESP Security Deposits

- 7.11.1 Company may, at its discretion, require cash security deposits from any ESP that has on more than one occasion failed to pay Company charges or ACC-approved Direct Access charges within the established time frame, such as DASR fees, meter or billing error or service fees, and other fees applicable to an ESP through Schedule 10 and Company's other tariffs and schedules.
- 7.11.2 The amount of the security deposit required shall not exceed two and one-half times the estimated maximum monthly bill to the ESP for such charges, and a separate security deposit may be required for separate categories of ESP or Direct Access charges.
- 7.11.3 Security deposits required pursuant to Section 7.11 shall be in the form of a cash deposit accruing interest as specified in Section 2.7.4 of Company Schedule 1. Company shall issue the ESP a nonnegotiable receipt for the amount of the deposit.
- 7.11.4 Company may refuse to accept DASRs from, or provide other Company services to, an ESP that fails to comply within thirty (30) calendar days to a demand that the ESP establish a security deposit pursuant to Section 7.11

8. Meter Services

- 8.1 Under Direct Access, ESPs may offer certain metering services for Direct Access implementation, including meter ownership, MSP and MRSP services.
- 8.2 Company has the right to offer the following meter services:
- 8.2.1 Metering and Meter Reading for Residential Load Profiledall Direct Access Customers.
- 8.2.1.1 If the ESP subcontracts with the UDC for Meter Services they must subcontract for both Metering and Meter Reading Services. The ESP shall remain responsible for all cost associated with Metering, Meter Installation, Meter Communications and other MSRP related cost. All such cost shall be authorized by the ACC.
- 8.2.2 Services as authorized by the ACC.
- 8.2.3 Company reserves the right to perform meter disconnects, regardless of meter ownership, in cases of potential safety hazards or non-payment for Company charges.
- 8.3 A Load Serving ESP may sub-contract Metering or Meter Reading Services to a certificated third party or the UDC. If the ESP sub-contracts any of the components of these services to a third party or UDC, the ESP shall, for the purposes of this Schedule, remain responsible for the services including communication equipment, meter reading equipment and associated maintenance necessary to obtain reads from specialized meters that may be required by a Direct Access Customers.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

8.4 Load Serving ESPs providing Metering or Meter Reading Services to Direct Access customers either on their own or through a third party or UDC assume full responsibility for meeting the applicable meter and communication standards, as well as assuming responsibility for the safe installation and operation of the meter and any personal injuries and damage caused to customer or Company property by the meter or its installation. This liability will lie with the ESP regardless of whether the ESP or its subcontractors perform the work.

8.5 Meter Specifications

8.5.1 The Director of Utilities Division of the ACC has determined the following specifications and standards shall apply to competitive metering where applicable (see Performance Metering Specifications and Standards document):

8.5.2 Metering standards (American National Standards Institute):

ANSI C12.1	Code for Electricity Metering
ANSI C12.6	Marketing & Arrangement of Terminals for Phase Shifting Devices used in Metering
ANSI C12.7	Watt-hour Meter Socket
ANSI C12.10	Electromechanical Watt-hour Meters
ANSI C12.13	Electronic TOU Registers for Electricity Meters
ANSI C12.18	Type 2 Optical Port
ANSI C12.20	0.2% & 0.5% Accuracy Class Meters
ANSI C37.90	Surge Withstand Test ANSI 57.13 Instrument Transformers (All CTs & PTs)
ANSI Z1.4	Sampling Procedures and Tables for Inspection
ANSI Z1.9	Sampling Procedures and Tables for Inspection

8.5.3 EEI Electricity Metering Handbook

8.5.4 Electric Utilities Service Equipment Requirements Committee (EUSERC)

8.5.5 NEC & Local Requirements by jurisdictions

8.5.6 Company's Electric Service Requirements Manual (ESRM)

8.5.7 National Electrical Safety Code (NESC)

8.5.8 ESPs or their contractors providing competitive metering services shall also comply with such other specifications or standards determined to be applicable or appropriate by the ACC's Director of Utilities Division.

8.6 Meter Conformity

8.6.1 All Direct Access meters shall have a visual kWh display and must have a physical interface to enable on-site interrogation of all stored meter data. All meters installed must support the Company's rate schedules.

8.6.2 If Company is providing MRSP functions for the ESP, pursuant to the Rules, meters must be compatible with Company's meter reading system.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

- 8.6.3 No meter or associated metering equipment shall be set or allowed to remain in service if it is determined that the meter or its associated equipment did not meet approved specifications, as set forth in Company's ESRM, or is in violation of any code listed in Section 8.5.

8.7 Meter Testing

- 8.7.1 If a manufacturer's sealed meter has not previously been set and the meter was tested within the last twelve (12) months, the meter shall be deemed in compliance with ACC standards without additional testing.

- 8.7.2 Any meter removed from service shall be processed according to the following table prior to its re-installation:

METER TYPE	REMOVAL REASON	ACTION REQUIRED
1 Ph kWh Electro-Mechanical	Routine	Meter Inspection
1 Ph kWh Electro-Mechanical	Trouble	Meter Test
1 Ph kWh Hybrid or Solid State	Routine	Meter Test
1 Ph TOU (all)	Trouble	Meter Test
3 Ph Meters (all)	All	Meter Test
1 Ph or 3 Ph IDR Meters	All	Meter Test

- 8.7.3 Meter tests are to be conducted in accordance with ANSI C12.1 recommended testing standards.
- 8.7.4 Records on meter testing shall be maintained by the MSP and provided to the requesting parties within three (3) working days of such a request for such records. The latest meter test record shall be kept as long as the meter is in service.

8.8 Meter Test Requests

Pursuant to A.A.C. R14-209(F), either party may request that the other party perform a meter test, in which instance the requesting party is entitled to witness the test if it so chooses. The requesting party shall be notified of the test date and written test results from the testing party. If the meter is found to be within ACC-approved standards, the requesting party shall reimburse the other party for all costs incurred in the process of testing the meter (per ACC approved tariffs). The MSP shall take reasonable measures to detect meter error. The MSP shall notify Company as soon as it becomes aware of any meter that is not operating in compliance with ACC performance specifications. The MSP shall make any repairs or changes required to correct the error. ESPs and Company shall use a form approved by the ACC Process Standardization Working Group (PSWG) to initiate and respond to such action.

8.9 Meter Identification

- 8.9.1 The ESP or its agent shall install a Company provided unique number on each meter. Company will provide the unique numbers printed on stickers in blocks of up to 1,000 numbers. These stickers must be readily visible from the front of the meter. The number assigned to that meter shall remain solely with that meter while in use in Company's service territory.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

- 8.9.2 When an ESP installs either its own meter or a customer owned meter, the ring or lock ring must be secured with a blue seal that is imprinted with the name and/or logo of the ESP or their agent.

8.10 Installation of metering equipment

- 8.10.1 All metering equipment shall be installed according to all applicable ACC requirements and Company's Electric Service Requirements Manual.
- 8.10.2 An ESP or its agent must be authorized by Company to remove a Company owned meter. The Existing Meter Information (EMI) form will be sent to the ESP and MSP within five (5) working days within receiving the DASR acceptance notification indicating a pending meter exchange. When the MSP intends to remove a Company meter, Company must receive a Meter Data Communication Request (MDCR) format at least five (5) working days prior to the exchange. Upon completion of the meter exchange, the MSP will return the Meter Installation/Removal Notification (MIRN) form to Company by the end of business, three (3) working days from the day of the exchange.
- 8.10.3 The ESP or its agent shall inform Company of all meter activity, such as meter installations or exchanges, via the Meter Activity Coordination (MAC) Form within the time frames specified above. If final meter reads are not provided to Company, are inaccurate, or otherwise result in Company not being able to render accurate final bills to customers pursuant to ACC Rules and Regulations, the ESP shall be responsible for any unbilled, disputed, or unrecoverable amounts and applicable late charges.
- 8.10.4 The ESP or its agent shall return the existing meter to Company at one of Company's designated locations identified in the meter drop off list within fifteen (15) working days after its removal, or be charged the cost of the meter and metering equipment and /or any other charges per the applicable ACC-approved tariff. The ESP or its agent shall be responsible for damage to the meter occurring during shipment.

8.11 On-Site Inspections/Site Meets

- 8.11.1 Company may perform on-site inspections of meter installations. The ESP shall be notified if the inspections uncover any material non-compliance by the MSP with the approved specifications and standards.
- 8.11.2 For new construction, the party installing the meter shall ensure that the owner/builder has met the construction standards outlined in Company's ESRM, and Company's Transmission and Distribution construction manual, as well as local municipal agency requirements, and any updates, supplements, amendments and other changes that may be made to these manuals and requirements.
- Company shall perform a preinstallation inspection on all new construction. Local city/county clearances may also be required prior to energizing any new construction.
- 8.11.3 Company may require a site meet for: the exchange or removal of an IDR meter which requires an optical device to retrieve interval data; the exchange or removal of equipment at an existing totalized metering installation; a restricted access location for which Company forbids key access; cogeneration sites, bi-directional or detented metering sites; or upon request of an ESP or MSP. The ESP and Company's MAC shall coordinate the time of the site meet. If the ESP or MSP miss



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

two (2) site meets, Company may cancel the applicable DASR. Company may charge for a site meet requested by the ESP or MSP, or if the ESP or MSP fails to arrive within thirty (30) minutes of the appointment time, or if the ESP fails to cancel a site meet at least one (1) working day in advance of the appointment time.

8.12 Meter Service Options and Obligations

8.12.1 Meter Ownership shall be limited to Company, an ESP, or the customer. The customer must obtain the meter through Company or an ESP. Although a customer may own the electric meter, maintenance and servicing of the metering equipment shall be limited to Company, the ESP, or the ESP's qualified representative (MSP).

8.12.2 If the ESP or customer owns the meter, the ESP must own the CTs, PTs, and associated equipment, except as provided in Section 8.12.3. The ESP may purchase existing CTs and PTs and associated metering equipment from Company at depreciated original cost.

8.12.3 The following provisions apply to the ownership of CTs and PTs.

8.12.3.1 For distribution voltages up to 25kV, the ESP or Company shall own the CTs and PTs. For transmission primary voltages (over 25kV), the CTs and PTs shall be owned by Company. ESP owned CTs and PTs must meet Company specifications. No CTs and PTs or associated metering equipment shall be set or allowed to remain in service if it is determined that the CTs and PTs or their associated equipment does not meet Company's approved specifications, as set forth in Company's Electric Service Requirements Manual in place at the time of installation.

8.12.4 All CT-rated meter installations shall utilize safety test switches, and all self-contained commercial metering shall utilize safety-test blocks as provided in Company's ESRM. During meter exchanges, the ESP or its agent's employees who are certificated to perform the related MSP activities may install, replace or operate Company test switches and operate Company-sealed customer-owned test blocks.

8.13 Installation Options

8.13.1 The ESP is responsible for Direct Access customer meter installation and associated cost. Company may optionally provide meter installation pursuant to the Rules provisions of this Service Schedule.

8.13.2 ESPs or their agents must be certificated by the ACC in order to offer MSP services. The policies and procedures described in this Section 8.13 assume that the MSP and their meter installers have ACC certification. ESPs may elect to offer metering services by:

8.13.2.1 Becoming a certificated MSP.

8.13.2.2 Subcontracting with a third party that is a certificated MSP.

8.13.2.3 Subcontracting with Company under the circumstances described in Section 8.2.

8.14 As part of providing metering services, ESPs or their agents shall:



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

- 8.14.1 Obtain lock ring keys for meters originally installed by Company or request site meets with Company. Company will issue lock ring keys to certified MSPs upon receipt of a refundable deposit. The deposit will not be refunded if a key is either lost or stolen, and a fee will be applied to replace lost or damaged keys. For more information about the cost of lock rings, standard rings, or lock ring keys, please consult the Company MAC.
- 8.14.2 If lock rings are used they shall meet Company requirements. If a meter is installed and the readings are obtained from a source other than a physical inspection, a lock ring must be utilized. Lock rings may be purchased from Company.
- 8.14.3 Provide information to Company on the specifications and other specifics on meters not purchased from or installed by Company.
- 8.14.4 Allow Company to remove the customer's meter, or schedule a site meet to remove the meter transferring from Direct Access to Standard Offer service. If the ESP allows Company to remove meters, ESP shall coordinate with Company regarding the return of the meters.
- 8.14.5 Be responsible for obtaining and providing reads from any meter that it installs from the time it is installed to the time it is removed or until meter reading responsibilities are assumed by another ESP or the customer returns to Standard Offer service.
- 8.14.6 Ensure that ESP and MSP employees working in Company's territory follow ACC and other applicable safety standards.
- 8.14.7 Company shall notify the ESP immediately and the ESP shall notify Company immediately of any suspected unauthorized energy use when a safety hazard exists. In instances where there is not a safety hazard, each party will notify each other within twenty-four (24) hours. The ESP shall ensure that a lock ring is installed to secure any meter that does not require a monthly local (i.e., manual) meter read. The Parties agree to preserve any evidence of unauthorized energy use. Once unauthorized energy use is suspected, Company, in its sole discretion, may take any or all of the actions permitted under Company's tariffs and schedules and shall notify the ACC of any such action taken.
- 8.14.8 Take no action to impede Company's safe and unrestricted access to a customer's service entrance.
- 8.14.9 Glass over any socket when a meter is removed and a new meter is not installed.

8.15 MSRP Services provided as a responsibility of an ESP

Only certificated MRSP's acting on the ESP's behalf in accordance with ACC regulations shall perform MRSP functions. The MRSP for each Direct Access customer will be specified on the DASR received from the ESP. Any changes to Customers MRSP will be updated by the ESP with a "UC" DASR at least ten (10) days prior to the next scheduled read date. MRSP obligations and responsibilities are stated in the ACC's Rules and Regulations and include:

- 8.15.1 Meter data for Direct Access Customers shall be read, validated, edited, and transferred pursuant to Arizona's Validation, Editing, and Estimation Process (VEE). It is the responsibility of the MRSP to comply with this process. In cases where validated data is unavailable for transfer by the posting deadline, it is the responsibility of the MRSP to provide an estimated data file for the entire read cycle until actual meter data is available. At such time as actual data becomes available, a corrected data file shall be posted immediately.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

- 8.15.2 Both Company and the ESP shall have 24-hour/7 days per week access to the MRSP server.
- 8.15.3 Meter read data shall include beginning and ending reads as well as the validated usage for load-profiled customers. Validated interval data shall be provided for all interval metering customers. Data must be posted to the MRSP server using the Arizona Standard EDI "867" format. Estimated data shall contain applicable reason codes pursuant to the 867 guidelines.
- 8.15.4 The MRSP shall provide Company with access to meter data at the MRSP server as required to allow the proper performance of billing and settlement.
- 8.15.5 MRSPs must have a CC&N from the ACC authorizing it to offer MSRP services, and must be certified in Company territory.
- 8.15.6 MRSPs shall read Customer's meter based on the scheduled read date per Company's Yearly Meter Read Schedule. The billing cycle for each meter shall contain the full period from read date to the following read date. Interval data cycles shall be considered from 00:15 on the read date to 00:00 on the following read date (i.e. 9/1/00 00:15 through 10/1/00 00:00). The first complete interval timestamp shall begin at 00:15 in each cycle. For meter exchanges to Direct Access, the first complete interval through the first read date at 00:00 shall constitute the billing cycle. For meter exchanges back to Standard Offer, every interval shall be included up to the last full interval prior to the exchange. It is the responsibility of the MRSP to provide estimation of any intervals that are necessary to constitute the full billing cycle.
- 8.15.7 The MRSP shall provide re-reads or read verifies within ten (10) working days of a request by Company or Customer. The requesting party may be charged per the applicable ACC tariff if the original read was not in error.

8.16 Meter Reading Data Obligations

8.16.1 Accuracy for all meters

- 8.16.1.1 Meter clocks shall be maintained according to Arizona time within +/- three (3) minutes of the National Time Standard.
- 8.16.1.2 Meter read date and time shall be accurate.
- 8.16.1.3 All meter reading data shall be validated pursuant to the approved Arizona VEE guidelines.

8.16.2 Timeliness for Validated Meter Reading Data

Pursuant to guidelines established by the Utilities Division Director, one hundred percent (100%) of the validated meter data shall be available by 3:00 p.m. Local Arizona Time (MST) on the third working day after the scheduled read date. If the meter data is not posted, is unavailable, or clearly contains errors by this deadline, the billing determinants including usage (kWh) and demand (kW) may be estimated by Company and the ESP shall be charged an approved charge for this service.

8.16.3 Proof of Operational Ability



SERVICE SCHEDULE 10 TERMS AND CONDITIONS FOR DIRECT ACCESS

Prior to performing MRSP services in Company's distribution service territory, or prior to making any significant change in MRSP service methodology, each MRSP will perform compliance testing to demonstrate its ability to read meters, validate data, edit data, estimate missing data and post validated data in Company-compatible EDI format to the MRSP server. In addition, upon installation of the initial meter on Direct Access accounts in Company's distribution service territory, each MRSP shall prove its ability to read its meters and post validated data in Company-compatible EDI format to the MRSP server. If the MRSP is unsuccessful in its attempts to meet these requirements, all subsequent requests for meter exchanges will be postponed until the MRSP successfully demonstrates its operational ability.

8.16.4 Retention and Format for Meter Reading Data

8.16.4.1 All meter reading data for a Customer shall remain posted on the MRSP server for five (5) working days and will be recoverable for at least three (3) years.

8.16.4.2 Meter reading data posted to the MRSP server shall be stored in Company-compatible EDI format.

8.17 Company performing MSP and MRSP functions:

If Company is eligible to perform Direct Access related MSP and MRSP functions as defined in section 8.2, the following restriction applies:

The validated meter read will be posted in EDI format no later than 6 working days following the scheduled read date.

8.18 Non-Conforming Meters, Meter Errors and Meter Reading Errors

8.18.1 Whenever Company, the ESP or its agents becomes aware of any non-conforming meters, erroneous meter services and/or meter reading services that impact billing, it shall promptly notify the other parties and the affected Customer. Bills found to be in error due to non-conforming meters or errors in meter services or meter reading services will be corrected by the appropriate parties.

8.18.2 In cases of meter failure or non-compliance, the ESP or its agents shall have five (5) working days to correct the non-compliance. If the non-compliance is not remedied within five (5) working days, the following actions may apply:

8.18.2.1 A site meeting may be required when services are being performed. The non-compliant party may be charged an ACC-approved tariff for the meeting.

8.18.2.2 Company may repair the defect, and the other party shall be responsible for all related expenses.

8.18.2.3 Company shall adhere to the approved Performance Monitoring Standards and follow the steps outlined to address non-compliance by an MRSP.

8.18.3 Company may refuse to enter into a new ESP Service Acquisition Agreement, or cancel an existing ESP Service Acquisition Agreement pursuant to section 7.10.1.2, with any ESP or its agents that has a demonstrated pattern of uncorrected non-compliance as established above. This provision



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

shall not apply if the alleged demonstrated pattern of non-compliance or correction thereof is disputed and is pending before any agency or entity with jurisdiction to resolve the dispute.



SERVICE SCHEDULE 15
CONDITIONS GOVERNING THE
PROVISION OF SPECIALIZED METERING

Arizona Public Service Company (Company) will provide specialized metering upon customer request, provided the customer agrees to the following conditions:

1. The customer must contact their Company Account Representative to request and coordinate the purchase and installation of specialized metering such as KYZ pulse meters, IDR meters, or IDR meter and with KYZ pulse and/or modem options (including associated interfaces) meters. ~~The customer must specify whether a modem will be required.~~
2. If the customer requests a meter with a modem option, the customer will be required to install coil of communication cable within communication equipment and connections which shall include a RJ11 or RJ12 jack. ~~A coil of communication cable with either an RJ11 or RJ12 jack is to be provided within five to ten feet of the meter panel location and in such a manner that will provide for ease of attachment of the jack to the meter panel by Company. The phone line must be installed prior to the installation of the meter and shall be located in such a manner as to not impede access to the metering equipment, the interior or exterior of the metering compartment or other utility access panels.~~ The customer must provide Company with a phone number and any other communication access information to the meter(s) prior to Company installation of the meter(s).
3. If a customer requests kWh pulses, Company shall furnish and install a customer pulse interface and enclosure. Connections made by the customer to the customer pulse interface shall not impede access to metering equipment, the interior or exterior of the metering compartment or other utility access panels. ~~an isolation relay and maintain the output wire and connections from this relay to an approved terminal block to be furnished by the customer. The terminal block shall be located in a lockable junction box mounted adjacent to (but not within) the Company metering compartment and not on the face of the Company metering panel.~~
4. The customer will be required to make a non-refundable contribution in aid of construction to Company for the requested meter(s) installation. The non-refundable contribution amount will be determined at the time of the request as follows:
 - 4.1 If a meter currently exists on the customer site, the charge is based on Company's total equipment and installation costs for the requested specialized metering less the equipment cost of Company's existing meter.
 - 4.2 If a meter has not been installed on the customer site, the charge is based on Company's total equipment and installation costs for the requested specialized metering less 100% of the AUC cost of a Company standard meter.
 - 4.3 If a specialized meter is existing on a customer's site and the customer requests an upgrade to a different type of meter, the customer will be responsible for 100% of the cost (installation and equipment) associated with the requested meter.

Company will not place an order for a requested meter(s) until payment has been received from the customer. The typical lead time for procurement of meters is six (6) to eight (8) weeks. Once the requested meter(s) have been received, Company will schedule the installation of the meter(s) with the customer or a designated representative.

Company will retain ownership of all meters and Company installed metering equipment.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: October 1, 1982

A.C.C. No. 56275771
Canceling A.C.C. No. 45505627
Service Schedule 15
Revision No. 23
Effective: April 1, 2005/January 1, 2010



**SERVICE SCHEDULE 15
CONDITIONS GOVERNING THE
PROVISION OF SPECIALIZED METERING**

If a customer makes a nonrefundable contribution for the installation of a specialized meter and then terminates service or requests Company to remove and/or replace the specialized meter, the customer will not be eligible for a refund.

Company will provide general maintenance of the specialized meter; however, in the event the meter should become damaged, obsolete or inoperable, the customer will be responsible for 100% of the replacement cost (installation and equipment) associated with the specialized meter.

Company will not be responsible for the installation, maintenance, or usage fees associated with any phone lines or related communication equipment.

5. Under no circumstances shall the customer stop the operation or in any way affect or interfere with the operation of the customer pulse interface isolation relay and the related output wiring. The integrity of Company's billing metering equipment within the sealed metering compartment shall be maintained.
6. Company reserves the right to interrupt the specialized metering circuit for emergencies or to perform routine or special tests or maintenance on its billing metering equipment, and in so doing assumes no responsibility for affecting the operation of the customer's demand control or other equipment. However, Company will make a good faith effort to notify the customer prior to any interruption of the specialized metering circuit.
7. The possible failure or malfunction of an isolation relay KYZ pulse output or interface and subsequent loss of kWh contact closures to the customer's control equipment shall in no way be deemed to invalidate or in any way impair the accuracy and readings of Company's meters in establishing the kWh and demand record for billing purposes.
8. The accuracy of the customer's equipment is entirely the responsibility of the customer. Should the customer's equipment malfunction, Company will reasonably cooperate with the customer to the extent of assuring that no malfunction exists in Company's equipment. Work of this nature will be billed to the customer, unless the actual source of the malfunction is found within Company's equipment.
9. If Company provides pulse values in kWh, customer's equipment must be capable of readjustment or recalibration to adjust to new contact closure values and rates should it become necessary for Company to adjust the pulse values due to changes in Company's equipment.
10. No circuit for use by the customer shall be installed from Company's billing metering potential or current transformer secondaries.
11. Company reserves the right, without assuming any liability or responsibility, to disconnect and/or remove the pulse delivery equipment at any time upon 30 days written notice to the customer.
12. Upon request by Company, the customer shall make available to Company monthly load analysis information.
13. References to electric kWh pulses above shall mean dry KYZ isolation relay contact closures only; the customer is required to furnish operating voltage service. Isolation relay KYZ contacts are rated for and shall not be wetted beyond a maximum of 100 milliampere and 120 volts DC or AC rms. 5 amps, 28 volts DC or 120 volts AC.
14. The customer assumes all responsibility for, and agrees to indemnify and save Company harmless against, all liability, damages, judgments, fines, penalties, claims, charges, costs and fees incurred by Company resulting from the furnishing of specialized metering.



SERVICE SCHEDULE 15
CONDITIONS GOVERNING THE
PROVISION OF SPECIALIZED METERING

15. A waiver at any time by either party, or any default of or breach by the other party or any matter arising in connection with this service, shall not be considered a waiver of any subsequent default or matter.
16. Prior written approval by an authorized Company representative is required before electric kWh pulses service may be implemented.